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C P S SHAPERS LIMITED
CIN: U18109MH2012PLC231749

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
201-204, 2 nd Floor, Swamini Industrial Estate No 3, Opp. Varun Industries, Nanal Nagar, Waliv, Vasai East, Palghar – 401 208, Maharashtra, India	Plot No 31, New Mayur Vihar, Near Raj Vansh Vihar, Garh Road, Meerut-250 002, Uttar Pradesh, India	Mr. Nikunj Haresh Gatecha, Company Secretary and Compliance Officer	Email: investor@dermawear.co.in Telephone: +91 9084735560	www.cpsshapersltd.com

THE PROMOTERS OF OUR COMPANY ARE MR. ABHISHEK KAMAL KUMAR & MR. RAJENDRA KUMAR**DETAILS OF ISSUE TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS**

TYPE	FRESH ISSUE SIZE	OFS SIZE	TOTAL ISSUE SIZE	ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG NII & RII
Fresh Issue	6,00,000 Equity Shares aggregating to ₹ 1,110.00 Lakhs.	N.A.	6,00,000 Equity Shares aggregating to ₹ 1,110.00 Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations. As the Company's post issue face value capital does not exceed ₹ 10.00 Crores.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 18.5 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 88 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 or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through the Prospectus are proposed to be listed on Emerge Platform of NSE ("NSE EMERGE"). Our Company has received "In-Principle" approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated August 23, 2023. For the purpose of the Issue, the Designated Stock Exchange shall be NSE.

LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 SHRENI SHARES LIMITED	Mr. Parth Shah	E-mail: shrenishares@gmail.com Telephone: 022 – 2808 8456

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 BIGSHARE SERVICES PVT LTD	Mr. Asif Sayyed	E-mail: ipo@bigshareonline.com Telephone: 022 - 6263 8200

ISSUE PROGRAMME

ISSUE OPENS ON: AUGUST 29, 2023

ISSUE CLOSES ON: AUGUST 31, 2023

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C P S SHAPERS LIMITED

Our Company was originally incorporated under the name “C P S Shapers Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra on June 01, 2012. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “C P S Shapers Limited” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on May 23, 2023. The fresh certificate of incorporation consequent to conversion was issued on June 20, 2023 by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U18109MH2012PLC231749. For further details on incorporation and registered office of our Company, see “History and Certain Corporate Matters” beginning on page 156 of this Prospectus.

Registered Office: 201 - 204, 2nd Floor, Swamini Industrial Estate No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai East, Palghar - 401 208, Maharashtra, India;

Corporate Office: Plot No. 31, New Mayur Vihar Near Raj Vansh Vihar, Garh Road, Meerut - 250002, Uttar Pradesh, India;

Tel: +91 9084735560; **E-mail:** investor@dermawear.co.in; **Website:** www.cpsshapersltd.com;

Contact Person: Mr. Nikunj Haresh Gatecha, Company Secretary and Compliance Officer;

OUR PROMOTERS: MR. ABHISHEK KAMAL KUMAR & MR. RAJENDRA KUMAR

INITIAL PUBLIC OFFERING OF 6,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF C P S SHAPERS LIMITED (“CPS” OR “OUR COMPANY” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ 185/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 175/- PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO ₹ 1,110.00 LAKHS (“THE ISSUE”) OF WHICH 31,200 EQUITY SHARES AGGREGATING TO ₹ 57.72 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 5,68,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT AN ISSUE PRICE OF ₹ 185/- PER EQUITY SHARE AGGREGATING TO ₹ 1,052.28 LAKHS (“NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.57% AND 27.09% OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 230 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS 18.5 TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Investors and the balance shall be offered to individual applicants other than Retail Individual Investors and other investors including corporate bodies or institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice versa subject to valid applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of UPI Applicants, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” beginning on page 232 of this Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹ 10/- each and the Issue Price is 18.5 times of face value per Equity Share. The Issue Price (determined and justified by our Company in consultation with the Lead Manager, as stated under chapter titled “Basis for Issue Price” beginning on page 88 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 or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 23 of this Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through the Prospectus are proposed to be listed on Emerge Platform of the NSE (“NSE EMERGE”). Our Company has received “In-Principle” approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated August 23, 2023. For the purpose of the Issue, the Designated Stock Exchange shall be NSE.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



SHRENI SHARES LIMITED

(Formerly Known as Shreni Shares Private Limited)

Office No. 102, 1st Floor, Sea Lord CHS, Plot No. 1/B, 1/A, Survey No. A-12, Ram Nagar, Borivali (West), Mumbai- 400 092, Maharashtra, India

Telephone: 022-2808 8456

E-mail: shrenishares@gmail.com

Investors Grievance e-mail: info@shreni.in

Contact Person: Mr. Parth Shah

Website: www.shreni.in

SEBI Registration Number: INM000012759



BIGSHARE SERVICES PRIVATE LIMITED

Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India

Tel: 022 - 6263 8200

E-mail: ipo@bigshareonline.com

Investor grievance e-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Asif Sayyed

SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: AUGUST 29, 2023

ISSUE CLOSSES ON: AUGUST 31, 2023

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on page 97, 184, 206, 150 and 262 respectively of this Prospectus, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

Term	Description
CPS / Dermawear / The Company / Our Company / The Issuer / C P S Shapers Limited	C P S Shapers Limited, a company incorporated in India under the Companies Act, 1956 having its Registered Office at 201 – 204, 2 nd Floor, Swamini Industrial Estate No. 3, Opp. Varun Industries, Nanal Nagar, Waliv, Vasai East, Palghar - 401 208, Maharashtra, India.
We / us / our	Unless the context otherwise indicates or implies, refers to our Company
you / your / yours	Prospective Investors in this Issue

COMPANY RELATED TERMS

Term	Description
AoA / Articles / Articles of Association	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, constituted on July 07, 2023 in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 162 of this Prospectus
Bankers to our Company	Bank of India Limited and IDBI Bank Limited
Board of Directors / Board / Directors (s)	The Board of Directors of C P S Shapers Limited, including all duly constituted Committees thereof as the context may refer to
Chairman / Chairperson	The Chairman / Chairperson of Board of Directors of our Company being Mr. Abhishek Kamal Kumar
Chief Financial Officer / CFO	The Chief Financial Officer of our Company is Ms. Chahat Girdhar.
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Mr. Nikunj Haresh Gatecha
Corporate Identification Number / CIN	U18109MH2012PLC231749
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each fully paid-up
Equity Shareholders / Shareholders	Persons / entities holding Equity Share of our Company
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company
Group Companies	In terms of SEBI ICDR Regulations, the term “ <i>Group Companies</i> ” includes companies (other than our Promoter and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on page 181 of this Prospectus
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director

Term	Description
	under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 162 of this Prospectus
ISIN	International Securities Identification Number. In this case being INE0QBU01012
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 162 of this Prospectus
Materiality Policy	The policy adopted by our Board on July 07, 2023 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
Managing Director	The Managing Director of our Company being Mr. Abhishek Kamal Kumar
MOA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on July 07, 2023 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 162 of this Prospectus
Non-Executive Director	A Director not being an Executive Director or is an Independent Director
Peer Reviewed Auditors	M/s. Vinay Bhushan & Associates, Chartered Accountants having its office located at 726, 7th Floor, D - Wing, Neelkanth Business Park, Near Bus Depot, Vidyavihar (West), Mumbai - 400086, Maharashtra, India
Promoters	The Promoters of Our Company is Mr. Abhishek Kamal Kumar and Mr. Rajendra Kumar.
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 “ <i>Our Promoter and Promoter Group</i> ” beginning on page 177 of this Prospectus
Registered Office	The Registered Office of our Company situated at 201 - 204, 2nd Floor, Swamini Industrial Estate No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai, Palghar - 401208, Maharashtra, India
Registrar of Companies / RoC	Registrar of Companies, Mumbai, Ministry of Corporate Affairs, 5th Floor, 100, Everest Building, Netaji Subhash Road, Marine Drive, Mumbai - 400 002, Maharashtra, India
Restated Financial Statements	Restated Financial Statements for the financial years ended on March 31, 2023, 2022 and 2021 prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations which comprises the restated summary statement of assets & liabilities, the restated summary statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Company, constituted on July 07, 2023 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 162 of this Prospectus.
Senior Management	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 162 of this Prospectus.
Statutory Auditors	The statutory auditors of our Company, currently being M/s. Vinay Bhushan & Associates, having its office at 726, 7th Floor, D- Wing, Neelkanth Business Park, Near Bus Depot, Vidyavihar (West), Mumbai- 400086 Maharashtra, India
Whole Time Director	The Whole Time Director of our company being Ms. Bhawna Kumar

FINANCIAL AND OPERATIONAL KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business. Revenue from operation means revenue from sale of services
EBITDA	EBITDA provides information regarding the operational efficiency of the business. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. EBITDA Margin is calculated as EBITDA divided by

Key Financial Performance	Explanations
	Revenue from Operations
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business. PAT Margin is calculated as PAT for the period/year divided by revenue from operations

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms
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 / Allotment of Equity shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue for Sale to the successful applicants
Allotment Advice	A note or 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
Allotment Date	Date on which the Allotment is made
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus.
Application lot	600 Equity Shares and in multiples thereof
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Prospectus
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by UPI applicants using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by UPI applicants using UPI Mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the UPI applicant blocked upon acceptance of UPI Mandate Request by UPI applicants using the UPI Mechanism to the extent of the Application Amount of the Applicant
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus
Banker(s) to the Issue	Collectively, being the Public Issue Bank and Sponsor Bank and in this case being Kotak Mahindra Bank Limited
Banker(s) to the Issue and Sponsor Bank Agreement	Agreement dated August 22, 2023 entered into between our Company, Lead Manager, the Registrar to the Issue, Banker to the Issue and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof
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 239 of this Prospectus
Bidding Centres	The centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
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 Exchange

Term	Description
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
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
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable)
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of UPI applicants only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI applicants using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI applicants using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker	Shreni Shares Limited (<i>Formerly known as Shreni Shares Private Limited</i>) 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 ASBA Forms (other than ASBA Forms submitted by UPI applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI applicants using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	NSE EMERGE
Draft Prospectus	This Draft Prospectus issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to purchase the Equity Shares
Eligible NRI(s)	NRIs from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the ASBA Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
First Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applications, whose name shall also appear as the first holder of the beneficiary account held in joint names

Term	Description
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document is available on the websites of the Stock Exchange and the LM
Issue	This Initial Public Offer of 6,00,000 Equity Shares for cash at an Issue Price of ₹ 185/- per Equity Share aggregating to ₹ 1,110.00 Lakhs
Issue Agreement	The agreement dated July 15, 2023 and addendum to the Issue Agreement dated August 14, 2023 entered amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing date	The date on which the Issue closes for subscription being August 31, 2023
Issue Opening date	The date on which the Issue opens for subscription being August 29, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their applications inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of applicants. Our Company, in consultation with the Lead Manager, may decide to close applications by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published
Issue Price	The final price at which Equity Shares will be Allotted to the successful Applicants, as determined in accordance with the Fixed Price Method and determined by our Company, in consultation with the LM, in this case being ₹ 185/- per Equity Share
Issue Proceeds	The gross proceeds of the Issue which shall be available to our Company, based on the total number of Equity Shares Allotted at the Issue Price. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 77 of this Prospectus
LM / Lead Manager	Lead Manager to the Issue, in this case being Shreni Shares Limited (Formerly known as Shreni Shares Private Limited)
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and NSE
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 31,200 Equity shares of ₹ 10/- each at an Issue Price of ₹ 185/- aggregating to ₹ 57.72 Lakhs for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated August 14, 2023
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by UPI applicants to submit Applications using the UPI Mechanism. The mobile applications which may be used by UPI applicants to submit Applications using the UPI Mechanism as provided under ‘Annexure A’ for the SEBI number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Net Issue	The Net Issue (excluding Market maker portion) of 5,68,800 Equity Shares of ₹10/- each at price of ₹ 185/- per Equity Shares aggregating to ₹ 1,052.28 Lakhs
Net Proceeds	The Gross Proceeds from the Issue less the Issue related expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” beginning on page 77 of this Prospectus
Non – Institutional Investor (NIIs)	All Investors including FPIs that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for a cumulative amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
NSE Emerge	Emerge Platform of National Stock Exchange of India Limited

Term	Description
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue. (A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.)
Person / Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account	The 'no-lien' and 'non-interest bearing' account to be opened, in accordance with Section 40(3) of the Companies Act, with the Public Issue Bank to receive monies from the ASBA Accounts on the Designated Date
Public Issue Bank	The banks which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account for collection of Application Amounts from ASBA Accounts will be opened, in this case being Kotak Mahindra Bank Limited
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made. Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being Kotak Mahindra Bank Limited
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI
Registrar Agreement	The agreement dated July 15, 2023 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure 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 Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Individual Applicants or minors applying through their natural guardians (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 in this Issue
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non - Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise their application during the Issue Period or withdraw their applications until Issue Closing Date
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services, 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 www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or such other website as updated from time to time, and in relation to UPI applicants using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No.

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) And (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Specified Locations	Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI applicants as per the UPI Mechanism, in this case being Kotak Mahindra Bank Limited.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
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	The Underwriters in this case are Shreni Shares Limited (<i>Formerly known as Shreni Shares Private Limited</i>)
Underwriting Agreement	The Agreement among the Underwriters and our Company dated August 14, 2023
Unified Payments Interface / UPI	The instant payment system developed by the National Payments Corporation of India
UPI Applicants	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion, and (ii) Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs on in the Non-Institutional Portion, and applying under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5.00 lakhs million using UPI Mechanism, shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
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 Mandate Request	A request (intimating the UPI applicant by way of a notification on the UPI application and by way of a SMS directing the UPI applicant to such UPI application) to the UPI applicant initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.

Term	Description
	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors, Using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI(https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=40) and(https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43) respectively, as updated from time to time
UPI mechanism	The Application mechanism that may be used by an UPI applicant to make an application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price; and (ii) Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars

INDUSTRY RELATED TERMS

Term	Description
ACC	Advance Chemical Cell
APAC	Asia Pacific
ATUFS	Amended Technology Upgradation Fund Scheme
BIS	Bureau of Indian Standards
BOT	Built Operate Transfer
BSL Ltd	Bhilwara Synthetics Ltd
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CAZRI	Central Arid Zone Research Institute
COVID- 19	CoronaVirus Disease of 2019
CPI	Consumer price index
DPA	Deendayal Port Authority
DPIIT	Department for Promotion of Industry and Internal Trade
DPP	Defence Procurement Procedure
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
GDP	Gross Domestic Product
GHCL	Gujarat Heavy Chemicals Ltd
GST	GST Goods and Services Tax
HFIs	High-Frequency Indicators
ICAR	Indian Council of Agricultural Research
ICEA	The Indian Cellular and Electronics Association
IDDM	Indigenously Designed, Developed and Manufactured
IIP	Index of Industrial Production
LLC	Limited liability company
MFP	Mega Food Parks
MoU	Memorandum of Understanding
NABARD	National Bank for Agricultural and Rural Development
NCR	National Capital Region
NITMA	Northern India Textile Mills' Association
PE-VC	Private Equity- Venture Capital
PLI	Production- Linked Incentive

Term	Description
PM MITRA	PM Mega Integrated Textile Region and Apparel
PPE	Personal protective equipment
PPP	Public Private Partnership
RMG	Ready Made Garments
RRVL	Reliance Retail Ventures Limited
SC	Scheduled Castes
SITRA	The South India Textile Research Association
ST	Scheduled Tribes
TAI	The Textile Association India
TEXPROCIL	The Cotton Textiles Export Promotion Council
TPD	The Production Department
UNCTAD	United Conference on Trade and Development
USD	United States dollar
WEO	World Economic Outlook
WPI	Wholesale Price Index

CONVENTIONAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Banking Regulation Act	Banking Regulation Act, 1949
BN	Billion
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
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
CFPI	Consumer Food Price Index
CFO	Chief Financial Officer
CGST Act	Central Goods and Services Tax Act, 2017
CIBIL	Credit Information Bureau (India) Limited
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) 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

Term	Description
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPI	Consumer Price Index
CY	Calendar Year
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, CDSL and NSDL
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
Depositories Act	Depositories Act, 1996
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/ EoGM	Extra-ordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
EPFO	Employees' Provident Fund Organization
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
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, 2017) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FTP	Foreign Trade Policy
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 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
HNIIs	High Net worth Individuals
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
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
IGST Act	Integrated Goods and Services Tax Act, 2017
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
IPO	Initial Public Offer
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISO	International Organization for Standardization

Term	Description
IST	Indian Standard Time
KM / Km / km	Kilo Meter
KMP	Key Managerial Personnel
KPI	Key Performance Indicators
Ltd	Limited
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NECS	National Electronic Clearing Service
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
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
PMI	Purchasing Managers' Index
PPP	Purchasing power parity
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 / Rs. / ₹	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, as amended
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, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI MB Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended

Term	Description
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST Act	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST Act	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/ United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VAT	Value Added Tax
VC	Venture Capital
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
WIP	Work in process
Wilful Defaulter(s) or Fraudulent Borrower	Wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WHO	World Health Organization
WEO	World Economic Outlook
YoY	Year on Year

PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

All references in this Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus. In this Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial statements in this Prospectus are derived from our Restated Financial Statements. The Restated Financial Statements is for the financial years ended on March 31, 2023, 2022 and 2021 has been prepared in accordance with Indian GAAP and the Companies Act, and has been restated in accordance with the SEBI ICDR Regulations. For further information, see please refer section titled "*Restated Financial Statements*" beginning on page 184 of this Prospectus.

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

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. 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, to what extent, the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 23, 101 and 186 respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the "*Restated Financial statements*" of our Company as beginning on page 184 of this Prospectus.

CURRENCY AND UNITS OF PRESENTATION

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

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

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

This Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI 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 refer the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 262 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 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 pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India 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:

- 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 personnel;
- 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;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Other factors beyond our control; and

- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 23, 101 and 186 of this Prospectus, respectively.

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

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

Neither our Company, our Directors, our Promoters, the Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION II – SUMMARY OF OFFER DOCUMENT

SUMMARY OF OUR BUSINESS

Our Company, C P S Shapers Limited is engaged in the business of manufacturing of Shapewear for Men and Women like V-Shaper, Saree Shapewear, Active Pants, ShapeX Denim, etc. We are popularly known and identified in apparel market by our brand name “*Dermawear*” with our motto “*Shape up with Confidence*” and “*YDIS*” (“*Your Dress Is Shapewear*”). We distribute our products both, by e-retail and offline model, and have developed a sustainable business model over the period.

For more details, please refer chapter titled “*Our Business*” beginning on page 101 of this Prospectus.

SUMMARY OF OUR INDUSTRY

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

For more details, please refer chapter titled “*Industry Overview*” beginning on page 101 of this Prospectus.

OUR PROMOTERS

The promoters of our company are Mr. Abhishek Kamal Kumar and Mr. Rajendra Kumar.

SIZE OF ISSUE

Present Issue of Equity Shares by our Company	6,00,000 Equity shares of ₹ 10/- each for cash at a price of ₹ 185/- per Equity shares aggregating to ₹ 1,110.00 Lakhs
Of which:	
Issue Reserved for the Market Maker	31,200 Equity shares of ₹ 10/- each for cash at a price of ₹ 185/- per Equity shares aggregating to ₹ 57.72 Lakhs
Net Issue	5,68,800 Equity shares of ₹ 10/- each for cash at a price of ₹ 185/- per Equity shares aggregating to ₹ 1,052.28 Lakhs

For further details, please refer to chapter titled “*Terms of the Issue*” beginning on page 230 of this Prospectus.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects (“Objects of the Issue”):

(₹ in Lakhs)

Sr No	Particulars	Amount
1.	Purchase of Plant and Machinery for Existing Manufacturing facility	178.68
2.	Purchase of Commercial Vehicle	9.53
3.	Funding of capital expenditure requirements of our Company towards purchase of Solar Power System	21.00
4.	Upgradation of existing IT Software at our existing manufacturing facility and registered office	18.20
5.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial institutions	167.01
6.	Funding Working Capital Requirements of our Company	405.58
7.	General corporate purposes [#]	182.00
	Total	982.00

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

For further details, please refer to chapter titled “*Objects of the Issue*” beginning on page 77 of this Prospectus.

PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

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

Category of Promoter	Pre-Issue	
	No. of Shares	% of Pre-Issue Capital
Promoters		
Mr. Abhishek Kamal Kumar	11,40,000	76.00%
Mr. Rajendra Kumar	1,20,000	8.00%
Promoter Group		
Ms. Kamlesh Kamal Kumar	1,20,000	8.00%
Mr. Abhav K Kumar	3,000	0.20%
Ms. Bhawana Abhishek Kumar	1,11,000	7.40%
Ms. Ruchi Kumar	3,000	0.20%
Total	14,97,000	99.80%

SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details are as follows:

(₹ in lakhs other than share data)

Particulars	For the year ended March 31		
	2023	2022	2021
Share Capital	50.00	50.00	50.00
Net worth#	175.12	(70.97)	(228.03)
Total Revenue\$	3,696.16	2,668.84	1,441.71
Profit after Tax	246.09	157.06	38.05
Earnings per share (Basic & diluted) (₹) (Post Bonus)@	16.41	10.47	2.54
Net Asset Value per Equity Share (₹) (Post Bonus)*	11.67	(4.73)	(15.20)
Total borrowings^	1,043.66	935.57	947.57

#Net Worth = Restated Equity Share Capital plus Reserves and Surplus

\$Total Revenue = Restated Revenue from operations plus Restated Other Income

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

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

^Total Borrowings = Restated Long-Term Borrowings Plus Restated Short-Term Borrowings

Notes:

Our Board of Directors pursuant to a resolution dated June 30, 2023 and Shareholders pursuant to a special resolution dated June 30, 2023 have approved the issuance of 10,00,000 bonus Equity Shares in the ratio of two Equity Shares for every one existing fully paid-up Equity Share.

QUALIFICATIONS OF AUDITORS

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

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, Directors, Promoters, Subsidiaries and Group Companies is provided below:

(₹ in Lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved
Company						
By the Company	NA	NA	NA	NA	NA	NA

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved
Against the Company	NA	7	NA	NA	NA	12.05
Directors						
By our directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
Promoters						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters*	NA	NA	NA	NA	NA	NA
Subsidiaries						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	2	NA	NA	NA	0.65

Brief details of top 5 Criminal Case against our Promoters:

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

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 206 of this Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 23 of this Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As per Restated Financial Statements, no contingent liability exists for the financial years ended on March 31, 2023, 2022 and 2021.

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 184 of this Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

ANNEXURE - XXVIII: Restated Standalone Statement of Related Party Disclosures

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

Particulars	Name of Related Parties
(a) Key Managerial Personnel (KMP):	Mr. Abhishek Kumar – Director
	Mr. Rajender Kumar – Director
	Mr. Sunil Kumar Jain - Director (<i>Resigned w.e.f. 31.03.2023</i>)
(b) Promoters & their Relatives having control:	Mr. Abhishek Kumar - Managing Director
	Mr. Rajender Kumar – Director

Particulars	Name of Related Parties
	Ms. Kamlesh Kumar -Relative of Director
(c) Relatives of Promoters who are under the employment of the company:	Ms. Bhawana Kumar Ms. Kamlesh Kumar
(d) Companies over which Directors have significant influence or control:	Dayal Hosiery Private Limited CP&S Orthotics Private Limited
(e) Other entities over which there is significant control:	CP&S Orthotics Inc (Partnership Firm) Dayal Hosiery (<i>Proprietor of Mr. Abhishek Kumar</i>)

(₹ in Lakhs)

Sr No.	Name of Party	Relation	Nature of Transaction	Volume of Transactions during the year			Amount Outstanding as on		
				For the year ended March 31			For the year ended March 31		
				2023	2022	2021	2023	2022	2021
1.	Dayal Hosiery Private Limited	Associates	Loan Received/ (Repaid)	(1.85)	-	(0.41)	-	1.85	1.85
2.	Dayal Hosiery	Associates	Loan Received/ (Repaid)	-	-	-	-	3.50	3.50
3.	CP&S Orthotics Private Limited	Associates	Loan Received/ (Repaid)	7.62	1.10	(0.32)	9.00	2.48	1.38
4.	Mr. Rajendra Kumar	Director	Managerial Remuneration	13.20	13.20	13.20	16.18	30.84	11.99
5.	Mr. Rajendra Kumar	Director	Loan Received/ (Repaid)	23.00	-	9.80	68.60	45.60	45.60
6.	Mr. Abhishek Kumar	Director	Managerial Remuneration	39.00	30.00	13.20	(22.75)	(9.40)	1.89
7.	Mr. Abhishek Kumar	Director	Loan Received/ (Repaid)	(56.19)	9.29	2.90	-	56.19	46.90
8.	Mr. Abhishek Kumar (New)	Director	Loan Received/ (Repaid)	70.00	-	-	70.00	-	-
9.	Mr. Abhishek Kumar	Director	Interest Paid	5.70	3.96	3.96	-	-	-
10.	Ms. Kamlesh Kumar	Director's Spouse	Remuneration	6.00	6.00	6.00	2.96	13.66	10.44
11.	Ms. Bhawana Kumar	Director's Spouse	Remuneration	6.00	6.00	6.00	0.97	9.59	7.14
12.	Mr. Sunil Kumar Jain	Director	Remuneration	3.60	3.60	3.60	-	0.71	0.90
13.	Mr. Sunil Kumar Jain	Director	Interest Paid	5.18	7.65	5.40	-	-	1.25
14.	Mr. Sunil Kumar Jain	Director	Loan Received/ (Repaid)	(60.00)	-	-	-	60.00	60.00
15.	Sunil Kumar Jain (J P Kumar Hosiery)	Director	Purchase of Goods	-	134.41	73.17	-	(2.79)	108.79
16.	CP&S Orthotics Inc	Associates	Rent Paid	2.40	-	-	2.14	-	0.56
17.	CP&S Orthotics Inc	Associates	Purchase of Goods	-	-	-	-	-	0.48
18.	CP&S Orthotics	Associates	Trade Payable	-	-	-	1.04	1.04	1.04

Sr No.	Name of Party	Relation	Nature of Transaction	Volume of Transactions during the year			Amount Outstanding as on		
				For the year ended March 31			For the year ended March 31		
				2023	2022	2021	2023	2022	2021
	Inc	es							

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 184 of this Prospectus.

FINANCING ARRANGEMENTS

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

WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS

Sr. No.	Name of the Promoter	Number of Equity Shares acquired in the one year preceding the date of the Prospectus	No of Equity Shares held	Weighted Average cost of Acquisition (in ₹) *
1.	Mr. Abhishek Kamal Kumar	10,10,000	11,40,000	4.95
2.	Mr. Rajendra Kumar	80,000	1,20,000	Nil

The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

**As certified by M/s Vinay Bhushan & Associates, Chartered Accountants through their certificate dated July 18, 2023.*

AVERAGE COST OF ACQUISITION OF PROMOTERS

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

Sr. No.	Name of the Promoter	No of Equity Shares held	Average cost of Acquisition (in ₹) *
1.	Mr. Abhishek Kamal Kumar	11,40,000	5.53
2.	Mr. Rajendra Kumar	1,20,000	Nil

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

**As certified by M/s Vinay Bhushan & Associates, Chartered Accountants, by way of their certificate dated July 17, 2023.*

DETAILS OF PRE-IPO PLACEMENT

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

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash within last one year from the date of this Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 30, 2023	10,00,000	10/-	Nil	Bonus Issue	Capitalization of Surplus	Mr. Abhishek Kamal Kumar	7,60,000
						Mr. Rajendra Kumar	80,000
						Ms. Kamlesh Kamal Kumar	80,000
						Mr. Abhav A Kumar	2,000
						Mr. Bhavana Abhishek Kumar	74,000

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Mr. Rakesh Roshan	2,000
						Ms. Ruchi Kumar	2,000

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

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

SECTION III – RISK FACTORS

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

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. See chapter titled “Forward Looking Statements” beginning on page 15 of this Prospectus.

To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Statements” on page 116, 192, 101, and 184 respectively of this Prospectus, together with all other Restated Financial Statements contained in this Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the financial years ended March 31, 2023, 2022 and 2021 as included in “Restated Financial Statements” beginning on page 184 of this Prospectus.

MATERIALITY

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

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

BUSINESS RELATED RISKS

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

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

Cases against our Company:

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	7	12.05
Other Litigation	--	--

Cases against our Directors and Promoter:

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

*Litigation filed against our Promoter cum Managing Director

Cases against our Group Companies:

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	2	0.65
Other Litigation	--	--

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

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

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 206 of this Prospectus.

2. ***Our business is dependent and will continue to depend on our manufacturing facility, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations could have an adverse effect on our business, financial condition and results of operations.***

We have one manufacturing facility situated at Meerut, two warehouses situated at Vasai, Maharashtra and Tiruppur, Tamil Nadu, respectively and one branch office situated at Tiruppur, Tamil Nadu and one virtual office situated at Bengaluru. Our business is dependent upon our ability to manage our manufacturing facility, including productivity of our workforce, which are subject to various operating risks, including those beyond our control, such as the breakdown, failure of equipment or industrial accidents, severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery, our equipment, our reactors, our automation systems, our IT systems or any other part of our manufacturing processes or systems (together, our “***Manufacturing Assets***”) may entail significant repair and maintenance costs and cause delays in our operations. However, we cannot assure you that we shall not experience any malfunction or breakdown of our Manufacturing Assets in the future. If we are unable to repair Manufacturing Assets in a timely manner or at all, our operations may need to be suspended until we procure the appropriate Manufacturing Assets to replace them. Further, there can be no assurance that in future, if we suffer accidents or if we are subject to shutdowns due to malfunctions, that we would be able to recover insurance costs covering all losses. Any uninsured losses in the future would adversely impact our results of operations and profitability. Additionally, any regulatory notices received indicating shortfall in quality or inadequacies of quality control measures or in our products could require us to make unplanned shutdowns to our manufacturing facilities in the future, resulting in losses and operational difficulties. In

addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections, customer audits and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Success of our operations depend on availability of labour and good relationships with our labour force. As of the date of this Prospectus, our employees are not members of any organised labour unions. Strikes and lockouts as a result of disputes with our labour force may adversely affect our operations. While we have not had instance of strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations. In addition, we also may face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations.

Further, we may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facility to cease, or limit, production until the disputes concerning such approvals are resolved.

Although we have not experienced any significant disruptions at our manufacturing facility in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations or the under-utilization of our manufacturing facility, which in turn may have an adverse effect on our business, financial condition and results of operations.

3. *Our existing manufacturing facility are concentrated in a single region i.e., Meerut, Uttar Pradesh and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.*

Our manufacturing unit is located at Meerut, Uttar Pradesh which exposes us to risks of concentration. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Although in the past we have not experienced instances of operating risks, however our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. It is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns at our facility due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect our manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects. Further, continuous addition of industries in and around our manufacturing facility without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business.

4. *We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability or quality of such raw materials could have an adverse effect on our business, financial condition and results of operations.*

Our business is significantly affected by the availability, cost and quality of the raw materials and components which we need to develop our products. Our principal raw materials include includes fabric, elastic, zips, elastic adjuster, buckles, hooks, threads cones, fusing films, perlon tape, mobilon tape, plastic boning, stickers, round bra pad, self-adhesive film, and sliders etc. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw materials are majorly procured in the domestic market from Delhi, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, Rajasthan and in the international market we procure our raw materials from China. We are dependent on external suppliers for certain of the materials /components. The prices and supply of these and other raw materials and components depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and duties. If, for any reason, our suppliers of raw materials and components should curtail or discontinue their delivery of such materials to us in the

quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our earnings and business could suffer. Further, we may not be able to pass on any increase in the cost of manufacturing our products to our customers, which may adversely affect our results of operations. Additionally, we do not have control over the quality of raw materials and components they supply, which may adversely affect the quality and workmanship of our products. For the financial year March 31, 2023, 2022 and 2021, our cost of material consumed was ₹1,915.79 Lakhs, ₹1,259.19 Lakhs and ₹468.79 Lakhs, respectively, which represented 52.04%, 47.19%, and 32.57%, respectively of our revenue from operations. If we are unable to source raw materials from key suppliers in a timely manner, our production processes and results of operations may be adversely impacted. There can be no assurance that we would be able to source required quantities or qualities of raw materials in a cost-effective manner in future periods. In addition, we usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers under contracts of shorter period or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins.

We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations. Purchases made from our top 10 suppliers for the financial year ended March 31, 2023, 2022 and 2021, were ₹1,678.93 Lakhs, ₹1,172.10 Lakhs and ₹470.79 Lakhs representing 89.55 %, 89.64 % and 90.44 % of our total raw material purchases for the financial year ended March 31, 2023, 2022 and 2021, respectively.

5. ***We depend on the success of our relationships with our customers. We derive a significant part of our revenue from our top 10 customers and we do not have long term contracts with these customers. If one or more of such customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

Of our revenue from operations for the financial year ended March 31, 2023, 2022 and 2021, our top 10 customers contributed approximately 72.03%, 73.86% and 75.97%, respectively.

Given the nature of our business, there can be no assurance that we would be able to attract new customers or reduce our dependence on any of our top customers. We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers or to remain suppliers to these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our expectant and existing inventory levels at our unit, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also several factors, other than our performance that could cause the loss of a customer, which include those customers who may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and prospects.

6. ***Our distribution model is also based on e-retail model and we do not have any customer facing retail outlets. Lack of consumer trust in e-retail industry or in the event of lack of growth of ecommerce activities in India and Outside India, our operations may be adversely affected.***

We have PAN India presence with distributors and online sale platform spread across the country with presence in 28 states and 8 Union territories for our domestic market based on sales made for the financial year ended March 31, 2023, 2022 and 2021. In case of our distribution model for sale of our products, we have distributors spread across the country who in turn sell our products through various retailers. We follow both online and offline sales model for supply of our products and our products are registered on various online platforms such as Amazon, Ajio, Flipkart, Myntra, Nykaa Fashion, Nykaa Retail, Snapdeal and through our own website, www.dermawear.co.in. For the Fiscals 2023, 2022 and 2021 our revenue from online sales was ₹ 1,272.19 Lakhs, ₹ 901.18 Lakhs and ₹ 612.22 Lakhs which contributed

34.56%, 33.77% and 42.54%, respectively of our revenue from operations and revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations. Though e-retail model B2C model, offers a number of benefits such as wider reach both in geographical terms and number of people, reduced overheads, customer convenience, potential to expand invariably, etc. it also carries some inherited risks. Presently, a majority of domestic population still prefers to use traditional means of commerce to purchase products and services, especially in apparel industry through customer facing outlets. Lack of consumer trust in e-retail due to not being able to judge material's quality, size and other features may restrict our growth opportunities. Further Indian trade markets continue to be dominated by cash-based transactions due to limited banking and credit card penetration. Concerns about fraud, privacy and other related issues may discourage consumers and merchants from adopting the internet as a medium of buying of products and services. Another challenge we may face is the growth of e-commerce activities in India. We currently sell our products through our own website and various e-commerce portals. Any lack of growth of e-commerce activity in India and overseas or delayed acceptance of e-retail by consumers may adversely affect our business model and future financial performance.

Considering the present response to e-commerce industry coupled with growing internet penetration, government support, favoured demographics, e-commerce activity is expected to grow at a strong pace. We provide an online grievance facility for our customers, allowing them to communicate via a chat tool and connect with our customer care representatives through a call upon request within the chat tool. Additionally, customers can provide feedback and suggestions on our website to help us improve our services and better serve their interests.

7. *The Company may lose its revenue due to the ongoing policy of "Turn Back Cash-On-Delivery Orders" trending in the e-retail market.*

The company accomplishes its major revenue from e-retail market and does not own any outlets. We have tapped the market through major E-Commerce platforms. There has been trend in the e-retail markets for "**Turn Back Cash-On-Delivery Orders**" thereby resulting in pain at the business end of the ecommerce retail chain. If a consumer orders a product and then returns it, the Company may be liable to pay for the logistics for both ways. This may result in shrinking margins of our Company. The risk is especially high in sales made through cash on delivery (COD) mode of payment, which has been one of the defining pillars of India's ecommerce boom. Our Company generally faces return of products for multiple reasons. Though the e-commerce retailers have voiced its concerns at various forums and with e-commerce companies, there can be no assurance whether the same can be regularized or the revolution can materially benefit and favour the e-retailers. Hence, cancellations and returns pose a serious challenge and may adversely affect our financial condition and result of operations.

8. *If we fail to identify and effectively respond to changing consumer preferences and spending patterns or changing fashion trends in a timely manner, the demand for products could decrease, causing our revenue and results of operations to decline.*

The popularity and demand of products may vary over time due to changing consumer preferences, including those relating to sustainability factors such as changing fashion trends. Decline in the demand for some of the products without a corresponding increase in demand for alternative products sold through our platforms could negatively impact our revenue temporarily or permanently. These trends may also cause fluctuations in our results of operations between different periods.

The products merchandised on our website and others e-commerce portals are subject to rapidly changing trends in the fashion industry and constantly evolving consumer tastes and demands. Our success is also dependent on the ability to anticipate, identify and respond to the latest fashion trends and consumer demands and to translate such trends and demands into product offerings in a timely manner, adapt to customer preferences, and our ability to continue upgrading our platforms in a manner so as to cater to evolving consumer preferences.

Similarly, our inventory management needs to adapt quickly to evolving trends. The failure to anticipate, identify or react swiftly and appropriately to new and changing styles, trends or desired consumer preferences, to accurately anticipate and forecast demand for certain product offerings or to provide relevant and timely product offerings to list on our platforms may lead to lower sales of merchandise on our platforms, which could cause, among other things, declines in goods sold and affect our relationship with consumers. In such circumstances, we may lose consumers and market share, be required to discount certain products, all of which could have an adverse effect on our business, results of operations, financial condition, cash flows and prospects.

9. *Our business depends on the growth of online commerce industry in India and our ability to effectively respond to changing user behaviour on digital platforms.*

Online commerce is still developing in India. Although we also operate through physical stores across India through our distributors. Our revenues depend substantially on the receptiveness of Indian consumers, suppliers, sellers and advertisers to the internet as a way to conduct commerce, purchase goods and services, and carry out financial transactions.

For online revenue base to grow, consumers, sellers and suppliers must continue to adopt new and alternative ways of conducting commerce, purchase goods and services and exchanging information, such as through the internet and mobile devices, and we must hence effectively respond to changing user behaviour on such digital platforms. As the development of mobile application-based e-commerce is dynamic and subject to risk of rapid disruption driven by technology innovations, we must continuously innovate to overcome the fact that potential consumers are presented with an increasingly large number of options to choose from. Such potential growth is dependent on the overall internet penetration in India which despite recent growth, is still relatively low as compared to certain developed countries. There is no assurance that a more technologically sophisticated and reliable fixed telecommunications network or internet infrastructure will develop that would further facilitate growth of online e-commerce in India. Should the telecommunications operators not sustain or invest in expanding and upgrading the telecommunications infrastructure in India, it may impact the e-commerce sector adversely.

Other factors applicable to the industry that might prevent potential consumers from purchasing products from e-commerce platforms, including our platform, include:

- concerns about buying products online without a physical storefront, face-to-face interaction with sales personnel and the ability to physically handle and examine products;
- concerns about delayed shipments or the inconvenience and cost of returning or exchanging items purchased online;
- concerns about the security of online transactions and the privacy of personal information; and
- usability, functionality and features of online platforms

If the online commerce industry in India and in particular the online market for shapewear and fashion products does not develop and grow, our business will not grow and our results of operations, financial condition, cash flows and prospects could be adversely affected.

10. Our expansion into new product categories and business verticals and a substantial increase in the number of products offered may expose us to new challenges and more risks.

Introduction of new product categories require us to understand or make informed judgements as to consumer demands, trends and preferences. We may misjudge consumer demands, trends and preferences for new products on our platforms and face challenges in inspecting and controlling quality, third party manufacturers, regulatory requirements, handling, storage and delivery of such new products. We may also need to price aggressively in new categories to obtain traction with consumers improve brand awareness, which may not be possible in instances where a product manufacturer imposes restrictions on our ability to offer such products at a discount and which would adversely affect our gross margins.

We may also make substantial investments in launching such new products on our platform Expansion of our offerings or business verticals may also strain our management and operational resources. It may also be difficult for us to achieve profitability with new products and as a result, our profit margins may be lower than we anticipate, which would adversely affect our results of operations. We cannot assure you that we will be able to recover our investments in introducing any new products or that any such new products will be successful by any measure.

11. We derive significant portion of our revenue from one of our products; i.e. Saree Shapewear. Our profitability, business and commercial success is significantly dependent on our ability to successfully anticipate the industry and customer requirements and utilize our resources to enhance and develop our products that efficiently satisfy and meet our client's specific requirements in a timely manner. Any failure on our part to do so, may have an impact on the reputation of our products, which could have an adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.

We derive significant portion of our revenue from one of our products, Saree Shapewear, which contributed 42.37%, 39.00% and 25.66% of our revenue from operations for the financial year ended March 31, 2023, 2022 and 2021, respectively. The industry in which we operate is characterized by changing fashion trends and demands for features, and continual product innovation adapting to the changing customer preferences. These conditions may also result in

significant competition. If the end-user demand is low for our customers' products, there may be significant changes in the orders from our customers and we may experience greater pricing pressures. Our success is therefore dependent on the success achieved by our products and the same being continued to be well acceptable in market. If our products fail to gain acceptance, we may experience reduced demand which may affect our sales to such customers, operating margins and all of these combined may adversely affect on our revenue, reputation, financial conditions, results of operations and cash flows.

12. *If we fail to retain our relationships with our distributors, our business, financial condition, cash flows and operations will be adversely affected.*

We have distributors spread across the country who in turn sell our products through various retailers. For the Fiscals 2023, 2022 and 2021 our revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations. We enter into agreements with all our distributors, however, if we experience significant relationship attrition with our distributors and fail to attract new relationships, the quantity and variety of products that are offered through our platforms may decline, consumers may use our platform less frequently or not at all, and our revenue and results of operations may be adversely affected.

13. *Our technology infrastructure and the technology infrastructure of our third-party providers are susceptible to security breaches and cyber-attacks. This could potentially result in damage to our operations, employees, consumers, third-party providers, our reputation and adversely affect our financial condition, cash flows and results of operations.*

Our business generates, stores and processes a large quantity of personal, transaction, demographic and behavioral information and data and as such we may experience disruptions, failures or breaches of our technology platforms. We also face risks inherent in handling large volumes of data and in protecting the security of such data, such as protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behavior by our employees; addressing concerns related to privacy and sharing, safety, security and other factors; and complying with applicable laws, rules and regulations relating to the collection, use, disclosure, transfer or security of personal information, including any requests from regulatory and government authorities relating to such data. Any failure, or perceived failure, by us to comply with our posted privacy policies or with any regulatory requirements or privacy and data protection-related laws, rules and regulations could result in proceedings or actions against us by governmental entities or others, which could have an adverse effect on our results of operations, cash flows and business.

Although we have employed resources to develop security measures against breaches, such measures may not detect or prevent all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, ransomware attacks, phishing attacks, social engineering, fraudulent emails and related payments scams, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain. Breaches of our cybersecurity measures could result in unauthorized access to our systems, misappropriation of information or data, unforeseen disclosure or transfer of data, deletion or modification of consumer information, or a denial of service or other interruption to our business operations. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, we may be unable to anticipate, or implement adequate measures to protect against, these attacks.

We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyberattacks. Cyber-attacks may target us, the participants on our platform, or the communication infrastructure on which we depend. While we constantly strive to improve our cybersecurity measures, our inability to avert all potential attacks and security breaches could subject us to legal and financial liability, harm our reputation and cause us to sustain substantial revenue loss from lost sales and consumer dissatisfaction. Actual or anticipated attacks and risks may cause us to incur higher costs, including costs to deploy additional personnel and network protection technologies, train employees, and engage third-party experts and consultants.

14. *Our business depends on our ability to maintain and scale our technology. Any interruptions or delays in service on the e-commerce platforms used by us or our websites or any undetected errors or design faults could result in limited capacity, reduced demand, processing delays, and loss of consumers.*

Our reputation and ability to attract, retain and serve our consumers depend upon the reliable performance of our mobile applications and websites and the underlying network infrastructure. The volume of traffic and activity on our ecosystem of e-commerce platforms spikes on certain days, such as during our sales periods, and any such interruption would be particularly problematic if it were to occur at a time of high volume. If sustained or repeated, these performance issues could reduce the attractiveness of our products and services and platforms. In addition, the costs and complexities involved in expanding and upgrading our systems may prevent us from doing so in a timely manner and may prevent us

from adequately meeting the demand placed on our systems. Any interruption or inadequacy that causes performance issues or interruptions in the availability of our mobile applications or websites could reduce consumer satisfaction and result in a reduction in the number of consumers purchasing our products and services, adversely affecting our business and financial position.

15. *We may not be able to accurately manage our inventory, this may adversely affect our goodwill and business, financial condition and results of operations.*

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of raw material and local transportation. Should our supply of raw materials be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products., but there is not guarantee that these instances will not happen in future to improve our line capability, we try to stock our inventory at our manufacturing facility. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

16. *We are subject to quality requirements and any product defect issues or failure by us to comply with quality standards may lead to the cancellation of existing and future orders, recalls and exposure to potential product liability claims.*

We face an inherent business risk of exposure to product defects. We may not be able to meet regulatory relevant quality standards in India, or the quality standards imposed by our customers and applicable to our manufacturing processes, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

If any of our products do not meet regulatory standards or are defective, we may be, inter alia, (i) responsible for damages relating to any defective products, (ii) required to replace, recall or redesign such products or (iii) incur significant costs to defend any such claims.

The failure by us or any of our suppliers to achieve or maintain compliance with regulatory requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or, until a new supplier has been identified and evaluated. We have implemented quality control processes and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by job workers on the basis of our internal quality standards. However, we cannot assure you that our job workers will always adhere to such standards and that our quality control processes will not fail or the quality tests and inspections conducted by us are accurate at all times. There is no assurance that our products will always meet the satisfaction of our customers' quality standards. Although we have not faced any failure to comply with applicable regulations in the past in the past, we cannot assure in future if our failure to comply with applicable regulations could cause adverse consequences to be imposed on us, including fines, injunctions, civil penalties, the refusal of regulatory authorities to grant approvals or renewal, delays, suspensions or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, all of which could harm our business. There can be no assurance that if we need to engage new suppliers to satisfy our business requirement, we will be able locate new suppliers in compliance with regulatory requirements in a timely manner, or at all. Failure to do so could lead to the cancellation of existing and future orders and have a material adverse effect on our business and revenue.

17. *The successful operation of our business depends on the performance, reliability and security of network and mobile infrastructure, third-party data centre hosting facilities, and other third-party providers.*

We depend on the maintenance of reliable internet and mobile infrastructure with the necessary speed, data capacity and security, as well as timely development of complementary products, for providing reliable internet and mobile access. We also rely on services from other third parties, such as our telecommunications services, credit card processors, disaster

recovery services, payment gateways, supply chain and courier counterparties, SMS service providers and online map providers, and those services may be subject to outages and interruptions that are not within our control. Failures by our telecommunications providers may interrupt our ability to provide phone support to our consumers and distributed denial-of-service attacks directed at our telecommunication service providers could prevent consumers from accessing our mobile applications or websites. In addition, we may experience down periods when our third-party credit card or gift cards or payment mobile applications processors are unable to process the online payments of our consumers, disrupting our ability to receive consumer orders.

With respect to our marketing channels, we rely heavily on relationships with providers of online services, search engines, social media, digital marketing companies, directories and other websites and ecommerce businesses to provide content, advertising banners and other links that direct consumers to our websites. We rely on these relationships to provide significant sources of traffic to our website. In particular, we rely on search engines and major mobile application stores, as important marketing channels. Search engine companies change their natural search engine algorithms periodically, and our ranking in natural searches may be adversely affected by those changes, as has occurred from time to time. If search engines change their algorithms, terms of service, display and featuring of search results, or if competition increases for advertisements, we may be unable to cost-effectively drive consumers to our mobile applications and websites.

Additionally, we rely on social media platforms as part of our marketing strategies to provide advertising content. The efficiency of our marketing strategies could be affected depending on their recommendation's algorithms, terms of service, frequency of display. Many of the parties with whom we have online advertising arrangements also provide advertising services to other companies, including our competitors. As competition for online advertising has increased, the cost for some of these services has increased.

We also rely on e-mail service providers, bandwidth providers, internet service providers, and mobile networks to deliver e-mail and "push" communications to consumers and to allow consumers to access our website. If the systems of these third parties fail, we could lose consumer data and miss order fulfillment deadlines, which could result in decreased sales, increased overhead costs and product shortages. In addition, the third parties on which we rely could face financial difficulties, including bankruptcy, which may negatively affect our business.

In addition, our technology infrastructure and the technology infrastructure of our third-party providers are vulnerable to damage or interruption as a result of software or hardware malfunctions, system implementations or upgrades, computer viruses, third-party security breaches, employee error, misuse, war, natural calamities, power loss, telecommunications failures, cyber-attacks, human error, and other similar events could lead to extended interruptions of our operations, a corresponding loss of revenue and profits, cause breaches of data security, loss of intellectual property or critical data, or the release and misappropriation of sensitive information, or otherwise impair our operations. While we have limited disaster recovery arrangements, our disaster recovery and data redundancy plans may be inadequate, and our business interruption insurance may not be sufficient to compensate us for the losses that could occur. If any such event were to occur, our business, financial condition, cash flows and results of operations may be adversely affected.

18. *Our online marketing listings or reviews may constitute internet advertisement, which subjects us to laws, rules and regulations applicable to advertising.*

Indian and international advertising laws, rules and regulations require advertisers, advertising operators and advertising distributors to ensure that the content of the advertisements they prepare or distribute is fair and accurate, is not false or misleading and is in compliance with applicable law. Violation of these laws, rules or regulations may result in, amongst other things, penalties and/or fines for issuing misleading advertisements, including fines, confiscation of advertising costs, orders to cease dissemination of the advertisements and orders to issue a corrective advertisement to neutralize the effect of a misleading advertisement. Complying with these requirements and any penalties or fines for any failure to comply may significantly reduce the attractiveness of our platform and increase our costs and could have an adverse effect on our business, financial condition, cash flows and results of operations.

In addition, for advertising content related to specific types of products and services, advertisers, advertising operators and advertising distributors must confirm that the advertisers have obtained the requisite government approvals, including the advertiser's operating qualifications, proof of quality inspection of the advertised products and services, and, with respect to certain industries, government approval of the content of the advertisement and filing with the local authorities. In certain cases, applicable guidelines (such as the Guidelines for Influencer Advertising on Digital Media, 2021) require that content created by influencers should carry a disclosure label identifying their posts as advertisements. We must also ensure we have obtained the requisite rights of use or reuse of certain video or audio content in accordance with our contractual obligations, which have to be continuously renewed and monitored, as any failures to so may lead to infringement of intellectual property rights such as copyrights. Pursuant to the internet laws in India, we are required to take steps to moderate the content displayed on our platform, such as reviews and images posted by consumers or

influencers. This requires considerable resources and time, and could significantly affect the operation of our business, while at the same time also exposing us to increased liability under the relevant laws, rules and regulations. The costs associated with complying with these laws, rules and regulations, including any penalties or fines, could have an adverse effect on our business, financial condition, cash flows and results of operations. Any further change in the classification of our online marketing services by the Indian government may also significantly disrupt our operations and adversely affect our business and prospects.

19. *Failure to deal effectively with fraudulent activities on our websites and e commerce platform would increase our fraud losses and harm our business and could severely diminish seller and consumer confidence in and use of our services.*

We face risks with respect to fraudulent activities on our websites and e commerce platform and periodically receive complaints from consumers who assert they have not received the goods they purchased or that goods they received were fraudulent, from sellers who may not have received payment for goods that were purchased.

Although we have implemented measures to detect and reduce the occurrence of fraudulent activities, scams, combat bad consumer experiences, and increase consumer satisfaction, including encouraging reporting of concerns, gating and monitoring higher-risk activities, evaluating sellers on the basis of their transaction history, and restricting or suspending some sellers, we cannot assure you that these measures will be effective in combating fraudulent transactions or improving overall satisfaction among sellers and consumers. We will need to evolve to combat fraudulent activities as they develop. Any failure to evolve could result in loss of consumer trust. At the same time, the implementation of additional measures to address fraud could negatively affect the attractiveness of our offerings to consumers and sellers, or create friction in our consumers' experience.

20. *We rely on third-party couriers to provide reliable, timely and satisfactory delivery of orders for consumers.*

We rely on third-party couriers to deliver orders from our warehouses to consumers. To the extent they are unable to provide satisfactory services to consumers, which may be due to events that are beyond our or their control, such as inclement weather or transportation disruptions, additional compliance costs as a result of COVID-19, we may suffer reputational damage, and our business, financial condition, cash flows and results of operations may be adversely affected.

The third-party couriers that we rely on may also subject us to additional risks. For example, traffic accidents caused by such couriers in performing their services on our behalf may cause negative publicity in the local community and may negatively affect our brand image and reputation. In addition, as our third-party couriers interact directly with our consumers, we may suffer harm, including substantial reputational harm from any misconduct, illegal actions or crimes committed by them, such as in relation to the misappropriation of cash due for "cash-on-delivery" orders which may go undetected or remain uncollectable. If we are unable to effectively address these risks, our brand image, reputation, cash flows and financial performance may be adversely affected.

21. *Our erstwhile statutory Auditor has made qualifications in the Audit Report for the Financial Year 2020-21.*

Our Erstwhile Statutory auditor has provided qualifications in the Financial Statements for Financial Year ended on March 31, 2021, on the Provision for Gratuity as per Actuarial Valuation not made in accordance with Indian Accounting Standard- 15 (AS-15) for the year ended on March 31, 2021. However, our Company have made Provision for Gratuity as per Actuarial Valuation in accordance with Indian Accounting Standard- 15 for the year ended on March 31, 2022 and March 31, 2023. In the Restated Financial Statements, our auditor have also made Provision for Gratuity for the period ended on March 31, 2021 as per the Actuary Valuer's report dated 14th July, 2023. We have made necessary adjustments for the Provision of Gratuity as per Actuary Valuation in accordance with the AS-15 in the Restated Financial Statements for the Period ended on March 31, 2021, March 31, 2022 and March 31, 2023. For further details, you may refer to Annexure- IV (B)- Reconciliation of Restated Profit and Annexure - IV(C)- Reconciliation of Restated Equity/ Networth to the Restated Financial Statements which contain the adjustments made in respect to the Provision for Gratuity as per Actuarial Valuation in accordance with AS-15 for the period ended on March 31, 2021 and consequent adjustments in the period ended on March 31, 2022 and the financial impact for the Provision of Gratuity made as per Actuarial Valuation in the Restated Financial Statement for the period ended on March 31, 2021 has been duly considered in the Restated Financial Statements. For further details also refer to Clause 7 (g) of the Audit Report to the Restated Financial Statements wherein the Auditor to the Restated Financial Statement has reported that necessary adjustments have been made in the Restated Financial Statements in respect to the Provision for Gratuity as per Actuarial valuation in accordance with AS-15 for the period ended on March 31, 2021 and Clause 7 (i) of the Audit Report to the Restated Financial Statements, wherein the Auditor has reported that necessary adjustments have been made in accordance with the correct Accounting Policies which includes the impact of provision for gratuity made on actuarial valuation basis in the Restated Financial Statements.

There is no assurance that our audit reports for any future fiscal periods will not contain qualifications, adverse remarks, matters of emphasis or other observations which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected. For further information, see “*Restated Financial Information*” on page 184 of this Prospectus.

22. *We are subject to payment-related risks, including risks associated with cash on delivery and payment processing risks.*

We accept payments using a variety of methods, including credit and debit cards, digital wallets, UPI, money transfers, and cash on delivery. Cash on delivery is a preferred method of payment for online purchases in India. Hence, we are subject to the risk that cash collected from consumers may be misappropriated or that a consumer may not plan appropriately for payment and the purchase will have to be returned. Returned purchases do not contribute to our revenue and we absorb the costs of return shipping fees, which would increase our operating costs and adversely affect our business, financial condition, cash flows and results of operations. We are subject to the risk of fraudulent activity associated with cash on delivery, such as payment of purchases with counterfeit currency or fake identity. For certain payment methods, including credit and debit cards, we pay bank interchange and other fees. These fees may increase over time, which would increase our operating costs and adversely affect our results of operations. We use various third parties and payment gateways to provide payment processing services, including the processing of credit and debit cards. Our business may be disrupted for an extended period of time if any of these companies becomes unwilling or unable to provide these services to us.

We are required to comply with payment card network operating rules, which are set and interpreted by the payment card networks for the third-party payment processors. The payment card networks could adopt new operating rules or interpret or re-interpret existing rules, as revised by regulatory bodies such as RBI from time to time, in ways that might prohibit us from providing certain services to some consumers, be costly to implement, or difficult to follow. If we fail to comply with these rules or requirements on service providers including in connection with nodal accounts, we may be subject to fines or indemnities or higher transaction fees or lose our ability to accept credit and debit card payments from consumers or facilitate other types of online payments, and our business could be harmed. Moreover, although the payment gateways we use are contractually obligated to indemnify us with respect to liability arising from fraudulent payment transactions, if such fraudulent transactions are related to credit card transactions, including international credit card transactions, and become excessive, they could potentially result in our losing the right to accept credit cards for payment. If any of these events were to occur, our business, financial condition, cash flows and results of operations could be adversely affected.

23. *We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.*

We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. For the financial year ended March 31, 2023, 2022 and 2021 our trade receivables were ₹ 258.52 Lakhs, ₹ 263.26 Lakhs and ₹ 221.68 Lakhs, respectively. There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. While we have not faced such incidents in the past, if we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

24. *We are dependent on third-party transportation providers for the supply of raw materials and delivery of our finished products.*

Our success depends on the supply and transport of the various raw materials required for our manufacturing facility and of our finished products from our manufacturing facility to our distributors, which are subject to various uncertainties and risks. Our company do not completely depend on our own transportation facility and are majorly dependent on third-party transportation providers for the delivery of our products. We also intend to purchase one more commercial vehicle to reduce our dependency on third party logistics companies. We plan to fund Capital Expenditure towards purchase of commercial vehicle from the Net Proceeds of the issue. For details, also see “*Objects of the Issue*” on page 77. While transportation restrictions, if any, could have an adverse effect on supplies and deliveries to and from our customers and

suppliers. In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers and distributors. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

25. *High merchandise returns or interruption in our shipping operations could negatively impact our business*

Cost of merchandise returns in an e-commerce business is mainly absorbed by the business. This includes cost of delivery, freight and risk of fraud returns that may lead to additional cost and risk exposure with the product sold. In some cases, the returned inventory is not suitable for resale which further impacts our overall margins. Further, any changes in our shipping arrangements for reverse logistics or any interruptions in shipping could adversely affect our business, financial condition, cash flows and results of operations.

26. *If we fail to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability*

Our business has grown substantially in recent years, with the increase in our customer database. Our revenue from operations has grown from ₹ 1,439.12 lakhs in Financial Year 2021 to ₹ 2,668.35 Lakhs and ₹ 3,681.45 Lakhs in Financial Year 2022 and Financial Year 2023, respectively. However, we cannot assure you that our historical growth rates will be sustainable or achieved at all in the future. If we fail to acquire new consumers, or fail to do so in a cost-effective manner, we may not be able to increase our review or maintain profitability.

Further, our ability to provide an engaging consumer experience is dependant in part on third party websites and search engines driving online consumers to our site which is not entirely within our control. Additionally, we have arrangements with other intermediaries such as digital services providers which provide certain digital services including marketing and search engine optimization services. Our ability to provide an engaging consumer experience is dependant in part on third party websites and search engines driving online consumers to our site which is not entirely within our control. If such sites choose not to send online consumers to us or search engines change their ranking algorithms such that we appear lower down the search list or not at all, our consumer base may not grow and may reduce and as a result, our revenue may decrease, even if we seek to optimize our rankings.

Furthermore, we may have to incur sustained advertising and promotional expenditures or offer more incentives than we anticipate in order to attract consumers to our platform and websites and convert them into purchasing consumers. If one or more of our marketing efforts fails to deliver the expected outcome, our business, financial position and results of operations may be adversely affected.

27. *We also outsource manufacturing of certain of our products by way of entering into an Outsourcing Agreement which exposes us to any risks/adverse developments affecting the quality of products.*

Apart from own manufacturing of products, Our Company also outsources manufacturing of some of our products such as innerwear products, T shirts and Saree shapewear and has also entered into Outsourcing Agreements dated March 01, 2023 for Garment manufacturing, entered into by and between our Company and Yamuna Tex, a Tamilnadu Corporation with principal place of business situated at 2/726-A, Senthoran Tower, 1st Floor, Vaikkalmedu, Kallagandu, Tiruppur and our Company and Senthur Tex, a Tamilnadu Corporation with principal place of business situated at 1/260, J-2, Amaravathi Nagar, Arumuthampalavam, Naranapuram post, Tirupur. By way of these agreements, our Company has outsourced the manufacturing of our innerwear products, T shirts and Saree shapewear in accordance with the specifications and requirements of our Company. The products manufactured through this outsourcing process are delivered at our warehouse situated at Tiruppur for further dispatch at the customers' location. The agreements shall commence from March 01, 2023 and shall continue till February 28, 2026.

While we enter into written arrangements with them for the work undertaken by them and even though some of them have been working with us for significantly long periods, most of them do not work exclusively for us. We have entered into outsourcing agreements with such job workers with a term of three years. We, however, cannot assure you that our job workers will be able to fulfil their obligations, including those in relation to maintenance of quality standards, under

such agreements entirely, in a manner acceptable to us, or at all. Periodically we may have to discontinue business with certain job workers, for reasons including delay or insufficiency in delivery and quality defects. Any shortfall in supply of products from our job workers, or insufficiency in the quality and consistency of the products supplied may result in decrease in supply of our products, lower stock at our stores and consequently lower sales. In the event we are unable to have our products manufactured in accordance with our supply schedule, or at all, we may not be able to procure alternate sources to manufacture our products, in time to meet the demands of our customers or maintain our inventory levels. We may also be unable to control the costs of production of job workers, which may increase in the future, including due to increase in the cost of labour and other utilities. Our inability to obtain sufficient quantities or desired quality of products from job workers in a timely manner or at acceptable prices may adversely affect our business, financial condition and results of operations.

28. *Our sales and profitability could be harmed if we are unable to maintain or improve our brand image. Further any negative publicity with respect to our products could adversely affect our brand, business, financial condition and results of operations.*

We are operating under the brand “*Dermawear*” with our motto “*Shape up with Confidence*” and “*YDIS*” (“*Your Dress Is Shapewear*”) which has significantly contributed to the success of our business. We believe that our success depends on our ability to price the products against its quality and foresee, identify and respond to changing fashion trends in a timely manner. If we are unable to respond in a timely and appropriate manner to changing consumer demand and fail to price our products reasonably, our brand name and brand image may be impaired and may result in a significant decrease in net sales or leave us with a substantial amount of unsold inventory. In addition, any new products or brands that we introduce may not be successfully received by retailers and consumers. Although we have expanded, and expect to continue to spend significant resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brands will be effective in attracting and growing our customer base or that such efforts will be cost-effective. Further our brand may also be affected if there is any negative publicity associated with our products. Any failure to maintain and enhance our brands may negatively affect our business, financial condition and results of operations.

29. *Our Company operates under several Trademarks, brand names, Copyrights, Designs and other intellectual property rights not owned by our Company acquired upon certain terms and conditions. Our failure to adhere to the terms and conditions of the agreements end up losing the authorization for usage in which event our business shall be adversely affected.*

Our business operations and turnovers are crucial to our brand names and as we operate under highly competitive markets, maintaining and protecting our brand names and other intellectual property rights is very crucial to the growth of our business. However, our company does not own any of our trademarks / copyrights / designs as mentioned in the property schedule of our Company. We have acquired them from one of our promoters Mr. Rajendra Kumar who have licensed all the intellectual properties to us on certain terms and conditions mentioned in those respective agreements and we are not sure if we shall be able to adhere to the terms and conditions of the agreements or at all in which event we may stand to loose our rights to use those respective intellectual property rights which may create adverse effect on our business.

Further in the event of death of the licensor, we are not sure that we may equally be able to negotiate the terms and conditions with the legal heirs of those intellectual properties in which event we may end up paying higher consideration or may not even be able to acquire those rights at all in which event our business shall be adversely affected.

For further details please refer to chapter titled “*Government and Other Approvals*” beginning on page 211 of the Prospectus.

30. *Certain relevant copies of educational qualification of one of our Director is not traceable.*

Relevant copies of education qualification of one of our Director, Mr. Rajendra Kumar is not traceable. We can't assure you that back-ups for the relevant copies of educational qualifications will be available in a timely manner or at all. We have relied on personal affidavit provided by them.

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

Our Company have entered into certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Companies in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “*Annexure - XXVIII Restated Statement of Related Party Disclosures of Restated Financial Statements*” under the chapter titled “*Restated Financial Statements*” beginning on

page 184 of this Prospectus. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain party transactions and our undertakes that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

32. *Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.*

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/licenses/ approvals. Further pursuant to change of name of the Company upon conversion from Private Limited to Public Limited, we further need to get our licenses updated. Also, we have applied for approvals which are necessary for furtherance of our objects. Failure by our Company to renew, alter, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details, please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 211 of this Prospectus

33. *There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing of returns and deposit of statutory dues with the taxation and other statutory authorities.*

In the past, our company has at several instances, delayed in filing our GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no-show cause notice has been issued against our Company till date, in respect of above. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see "Outstanding Litigation and Material Developments" beginning on page 184 of this Prospectus.

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

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

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

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “*Our Management*” on page 162 of this Prospectus.

35. *We depend on skilled personnel and if we are unable to recruit and retain skilled personnel, our ability to operate or grow our business could be affected.*

Our Business Operation required skilled and creative manpower intensive and we engage a considerable number of skilled personnel every year to sustain our growth. Further, we spend significant time and resources in training the manpower we hire. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for our future growth requirements. We cannot assure you that skilled manpower will continue to be available in sufficient numbers suitable to our requirements or that we will be able to grow our workforce in a manner consistent with our growth objectives, which may affect our business, financial condition, results of operations and prospects.

36. *The industry in which we operate is labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management’s attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized and we have in past not faced any instances of trouble from our labours, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management’s attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management’s attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

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

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

(₹. In Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
A: Current Assets			
Inventories	911.37	550.27	551.57
Trade Receivables	258.52	263.26	221.69
Cash and Cash Equivalents	20.03	20.47	27.26
Short-Term Loans and Advances	190.87	78.13	45.86
Other Current Assets	-	-	12.57

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
B: Current Liabilities			
Trade Payables	366.57	312.44	309.89
Other Current Liabilities	82.02	52.61	40.06
Short Term Provisions	32.87	12.54	6.28
C: Working Capital (A-B)	899.33	534.54	502.73

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 77 of this Prospectus.

38. *The Company is yet to place orders for 100% of the plant & machineries, installation of solar power plant, purchase of commercial vehicle and upgradation of existing IT Software at our existing manufacturing facility and registered office for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machineries may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.*

Although we have identified the type of plant and machineries, installation of solar power plant, purchase of commercial vehicle and upgradation of existing IT Software at our existing manufacturing facility and registered office required to be bought however, we are yet to place orders for 100% of the plant & machinery, installation of solar power plant, purchase of commercial vehicle and upgradation of existing IT Software at our existing manufacturing facility and registered office worth ₹ 178.68 Lakhs, ₹ 21.00 Lakhs, ₹ 9.53 Lakhs and ₹ 18.20 Lakhs, respectively as detailed in the “Objects of the Issue” beginning on page 77 of this Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier of plant & machineries, equipment’s among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machineries, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 77 of this Prospectus.

39. *Our business is dependent on the adequate and uninterrupted supply of electrical power at a reasonable cost. Our Company does not have suitable power back-up to meet power failure exigencies. Failure on account of unavailability of electrical power may restrict us in utilizing our full capacity and, hence, may impact our business and results of operation.*

Adequate and cost-effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Our manufacturing process requires uninterrupted supply of electrical power in order to ensure that we are able to manufacture our products. The shortage or non-availability of electrical power may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition. Currently, we source our power requirements from the state electricity board. There can be no assurance that electricity supplied will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. If the supply of electricity is not available for any reason, we will need to rely on alternative sources. However, our Company have suitable power back-up to meet power failure exigencies such as diesel generator sets. We also intend to purchase one more DG set at our existing manufacturing facility, to further decrease our power costs from the Net Proceeds of the issue. Any failure on our part to obtain alternate sources of electricity, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, results of operations, cash flows and financial condition.

Further, if the per unit cost of electricity is increased by the state electricity board, our power cost will increase and it may not be possible to pass on any increase in our power cost to our customers, which may adversely affect our profit margins. We also intend to install solar power plant at our existing manufacturing facility to further decrease our cost and dependence on state electric supply. We plan to fund Capital Expenditure towards installation of solar power plant from the Net Proceeds of the issue. For details, also see “Objects of the Issue” on page 77.

40. *Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 77 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.*

We intend to use Net Proceeds towards meeting the funding the Purchase of Plant and Machinery at our existing manufacturing facility, Purchase of Commercial Vehicle, Funding of capital expenditure requirements of our Company towards purchase of Solar Power System, upgradation of existing IT Software at our existing manufacturing facility and registered office, Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial institutions, Funding working capital requirements and General corporate purposes. We intend to deploy the Net Proceeds in financial year 2023-24 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Net Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 77 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “Objects of the Issue” beginning on page 77 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoter and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

41. The orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations.

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control caused by matters such as acts of God, strikes, civil commotion, riots, war, revolution, acts of governments, lack of adequate production capacity, failure or delay in plant start up, breakdown of machinery, shortage of raw materials, etc. or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers’ discretion or delay in procurement of raw material or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

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

We have experienced negative cash flows in the past which have been set out below as per the Restated financial statements:

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net cash generated from/ (used in) operating activities	112.31	197.59	105.46
Net cash generated from/ (used in) investing activities	(122.37)	(106.76)	(9.53)
Net cash generated from/ (used in) financing activities	9.62	(97.62)	(87.54)

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 184 and 187, respectively of this Prospectus.

43. We export our products in five countries. Any change in law or any other adverse events affecting these countries could have a significant adverse impact on our export orders and consequently on our results from operations.

We derive a portion of our revenue from operations from exports. For the financial year ended March 31, 2023 our revenue from exports constituted 2.36%, of the revenue from operation respectively. Our Company exports to five countries namely, Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023. Consequently, any adverse changes in these economies such as slowdown in the

economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies, acts of terrorism or hostility targeting these countries, change in the economic laws would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to Environment, Health and Safety (EHS) norms, quality standards, branding or restrictions on usage of certain products/raw materials, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

44. *We generate our major portion of sales from our operations in certain geographical regions both domestic and exports. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.*

We have two business divisions (i) domestic sales; and (ii) international sales. We have PAN India presence with distributors and online sale platform spread across the country with presence in 28 states and 8 Union territories for our domestic market based on sales made for the financial year ended March 31, 2023, 2022 and 2021. We have also started our export division and are supplying products to 5 countries namely Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023. For the Fiscals 2023, 2022 and 2021 our revenue from domestic sales was ₹ 3,594.63 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively which contributed 97.64 %, 100.00 %, and 100.00 % respectively of our revenue from operations.

Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. Our inability to expand into other countries may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India or internationally, due to factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations. While our management has faith that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance. Our operations are also impacted by various risks inherent in international sales and operations, including:

- currency exchange rate fluctuations;
- regional economic or political uncertainty;
- currency exchange controls;
- differing accounting standards and interpretations;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements; and

To the extent that we are unable to effectively manage our global operations and risks such as the above (in particular, as we implement our strategy to enter into new markets where we do not have local knowledge resources), we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. As a consequence, our business, financial condition, results of operations and cash flows may be adversely affected.

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

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, please refer chapter titled “*Financial Indebtedness*” beginning on page 187 of this Prospectus.

46. *Our loan agreements with various lenders have several restrictive covenants and certain unconditional rights in favour of the lenders, which could influence our ability to expand, in turn affecting our business and results of operations.*

We have entered into agreements for short term and long-term borrowings with certain lenders. The total amounts outstanding and payable by us as secured loans and unsecured loans were ₹ 1,043.66 Lakhs, ₹ 935.59 Lakhs and ₹ 947.57 Lakhs as on March 31, 2023, 2022 and 2021 as per the restated financial statements. The credit facilities availed by our Company are secured by way of mortgage of fixed assets, hypothecation of assets. There may have been instances of delay in payment of our dues in time to the banks, in case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to the Company may be recalled with penal interest. This could severely affect our operations and financial condition. In addition to the above, our loan documentation includes certain conditions and covenants that require us to obtain consents from the aforesaid banks prior to carrying out certain activities like entering into any amalgamation, demerger, merger and corporate reconstruction, changing our management and operating structure, making any fresh borrowings or creating fresh charges on assets, etc. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lending banks or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under the said credit facility, which may adversely affect our ability to conduct our business and operations or implement our business plans. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lending banks refuse to renew / enhance the credit facilities and/or cancels / suspends / reduces the said credit facilities and/or alters the terms and conditions to the derogation of our Company, our existing operations as well as our future business prospects and financial condition may be severely affected. As on the date of the Prospectus, we have not received NOC for the Issue from some of our lenders.

47. *Unsecured loans taken by our Company can be recalled by the lenders at any time.*

Our Company has unsecured loans amounting to ₹ 440.32 Lakhs, ₹ 314.13 Lakhs and ₹ 332.96 lakhs for the financial year ending March 31, 2023, 2022 and 2021 as per the restated financial statements from banks that are repayable on demand to the relevant lender. These loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. In such cases, our Company may be required to repay the entirety of the unsecured loans together with accrued interest. Our Company may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer the chapter titled “*Restated Financial Statements*” beginning on page 184 of this Prospectus.

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

We have taken guarantees from our directors in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Financial Indebtedness*” beginning on page 187 of this Prospectus.

49. *We may not be fully insured for all losses we may incur.*

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions, limitations of liability set forth in our contracts may not be enforceable in all instances or may not otherwise protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under those agreements. We have taken various insurance policies, details of which is mentioned in the section titled, “*Insurance*” under the chapter titled, “*Our Business*” on page 101 of the Prospectus. Although we believe we have adequate insurance coverage but that coverage

may not continue to be available on reasonable terms or to be available in sufficient amounts to cover one or more large claims, and our insurers may disclaim coverage as to any future claim. Insurance coverage may be an inadequate remedy where the loss suffered is not easily quantifiable, for example, in the event of severe damage to our reputation. The successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

50. *We face significant competition in our business which could adversely affect our operations and our profitability.*

The apparel manufacturing and retail industry is highly competitive and fragmented. Our competitors include numerous apparel designers, manufacturers, and other established companies. Some of our competitors are larger and therefore better placed to take advantage of efficiencies created by size, and have better financial resources or greater access to capital at lower costs, and may be better known nationally. Moreover, as the industry is highly fragmented, we also face competition from local stores, who may, for a variety of reasons such as easier access and personal relationships with the customers, be able to cater to local demands better than us. We believe that the principal competitive factors in the apparel industry are brand name, brand identity, timeliness, reliability and quality of products, price and our ability to anticipate consumer demands and maintain appeal of products to customers. If we do not maintain our brand names and identities and fail to provide high quality and reliable products on a timely basis at competitive prices, or if our competitors are able to compete more effectively, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively impact our sales and financial performance. Further, the competitive nature of the apparel industry may result in lower prices for our products and decreased gross profit margins, either of which may materially adversely affect our sales and profitability.

51. *Our business may expose us to potential product liability claims, which could adversely affect our results operation, goodwill and the marketability of our products.*

While we are not directly exposed to potential product liability claims given the nature of our business, we may be exposed to certain risks associated with the purchase orders issued by us, and the severity and timing of such claims are unpredictable. We face the risk of loss resulting from, and the adverse publicity associated with, lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. Such claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful claims would likely require us to incur substantial amounts on litigation and require our management's time and focus. Any loss of our reputation or brand image may lead to a loss of existing business contracts and affect our ability to enter into additional business contracts in the future, which may have an adverse effect on our business, results of operations, financial condition and cash flows. Accordingly, such claims, may adversely affect our results of operation, goodwill and the marketability of our products.

52. *We depend on certain third-party service providers including online distribution portals and payment gateways and an inability to ensure availability of such services at competitive cost may have an adverse effect on our business in e-commerce distribution channel.*

We rely on various third-party service providers in our business operations including online distribution portals and payment gateways for e-commerce transaction which shall be done on our website and on our various e-retails websites. Such portals and gateways are often susceptible to security concerns and require technological up gradations. Further any significant changes in the commission charged by such online portals for distributing our products or any increase in fee charged by such payment gateways may adversely affect our business and results of operations.

53. *Certain premises including our registered office and branch offices are not owned by us and we have only lease rights over such premises. In the event we lose such rights or are required to negotiate it, our cash flows, business, financial conditions and results of operations could be adversely affected.*

Our Company has entered into certain lease agreements and leave and license agreements in relation to our registered office and branch office. To meet our PAN India presence and also to meet timely supply of our products through online sales, we have one manufacturing facility situated at Meerut, two warehouses situated at Vasai, Maharashtra and Tiruppur, Tamil Nadu, respectively, one branch office situated at Tiruppur, Tamil Nadu, and one virtual office situated at Bengaluru. We also follow the online sales model and sell our products through Amazon and to ensure timely delivery of our products to customers across the country, we have received No objection from Amazon for using the additional place of business situated at different locations, respectively at Bengaluru (Two), Thane (Two), Lucknow, Coimbatore and Thiruvallur, Tamil Nadu. For further details, please see chapter titled "*Our Business*" beginning on page 116. Any of these lease or license agreements can be terminated, and any such termination could result in any of these offices being shifted. There can be no assurance that we will, in the future, be able to retain, renew or extend the leases for the existing locations on same or similar terms, or will be able to find alternate locations for these offices on similar terms favourable

to us, in time or at all. Accordingly, we may experience business disruption, and this may materially and adversely affect our business, financial condition and result of operations.

54. Our Group Companies has incurred losses in past financial years.

Our Group Companies, CP&S Orthotics Private Limited and Dayal Hoseiry Private Limited have incurred losses in the following financial years for which their respective audited financial statements were available, as set forth in the table below-

CP&S Orthotics Private Limited

(₹. In Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Profit/Loss after tax	(0.32)	(0.15)	(0.18)
Net Worth	8.35	8.67	8.83

Dayal Hoseiry Private Limited

(₹. In Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Profit/Loss after tax	(0.56)	(0.19)	(0.41)
Net Worth	8.16	8.72	8.91

55. There may be potential conflict of interests between Our Company and other venture or enterprises promoted by our promoter or directors.

The main business object/activities of our group companies, CP&S Orthotics Private Limited and Dayal Hoseiry Private Limited permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company and our Group Companies in circumstances where our respective interests diverge. Further, our Group Companies are allowed to carry on activities as per its MOA, which are similar to the activities carried by our Company. Further, our Promoters, are also directors on the board of our Group Companies. This may be a potential source of conflict of interest in addressing business opportunities, strategies, implementing new plans and affixing priorities. In cases of conflict, our Promoters may favour other companies in which our Promoters have interest.

56. Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.

Our Company is involved in various business transactions with international clients and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Due to non-receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it may adversely affect our business, results of operations, financial conditions and cash flows.

57. Failure or disruption of our IT, manufacturing automation systems may adversely affect our business, financial condition and results of operations.

We have implemented various information technology (“IT”) systems to cover key areas of our operations, procurement, dispatch and accounting. We also have various automation systems and software that automate our manufacturing and production. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems or manufacturing automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. While we have not faced significant disruptions in past, any such malfunction or disruptions in future could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations. Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT,

manufacturing automation systems may lead to inefficiency or disruption of our operations and thereby adversely affecting our business, financial condition and results of operations.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 183 of this Prospectus.

59. *Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval*

After completion of the Issue, Our Promoter and Promoter Group will collectively own 71.29% of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AOA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

60. *We might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position*

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers; (b) result in costly litigation; (c) cause product shipment delays or stoppages; (d) divert management's attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. While in the last three financial year we have not been involved in litigation or incurred litigation expenses in connection with our trademarks or intellectual property rights, in the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, financial condition and results of operations.

61. *Employee misconduct including misuse of confidential data and failure to maintain confidentiality of information could harm us and is difficult to detect and deter.*

We could be harmed by employee misconduct if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. While there have been no instances during the last three financial year of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks,

or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation.

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

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

63. *Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Prospectus are based on various assumptions and estimates and future production and capacity may vary.*

Information relating to the historical installed capacity and estimated capacity utilization of our manufacturing facility included in this Prospectus is based on various assumptions and estimates of our management and the Chartered Engineer, please refer to “*Our Business*” on page 101 of this Prospectus for further details. Actual production volumes and capacity utilization rates, however, may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue reliance on our historical installed capacity information for our existing manufacturing facilities included in this Prospectus.

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

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable laws and regulations. If we are not in compliance with applicable laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition and results of operations. Likewise, any investigation of any potential violations of laws by the relevant authorities could also have an adverse impact on our business and reputation.

65. *Our Directors, Key Managerial Personnel and Senior Management may have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.*

Our Directors, Key Managerial Personnel and Senior Management may be interested in our Company, in addition to regular remuneration, sitting fees or benefits and reimbursement of expenses, to the extent of the Equity Shares held by them in our Company, and bonuses, dividend payable or other distributions on such Equity Shares. Our directors may be

regarded as interested to the extent of the transactions entered into in the ordinary course of business with the companies in which our directors hold directorship and also in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, pursuant to this Offer. Further, our Promoter, are interested in promotion and formation of the Company. Further, our Executive Directors are also directors on the boards, or are shareholders, and trustees of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities.

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

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

ISSUE RELATED RISKS

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

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

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

The Issue Price of our Equity Shares has been determined by fixed price method. The price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 91 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue.

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

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

69. *Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Issue. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.*

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of the Equity Shares has been determined by our Company in consultation with the LM through the Fixed Price Process. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

70. *We have issued Equity Shares during the last one year at a price below the Issue Price.*

Our Company had issued Bonus shares of 10,00,000 equity shares on June 30, 2023 in the ratio 2:1 in the last 12 months which may be at lower than the Issue Price. The Equity Shares allotted to shareholders pursuant to this Issue may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see “*Capital Structure*” on page 67 of this Prospectus.

71. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the NSE Emerge in a timely manner or at all.*

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

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

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

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

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

74. *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, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding Rs.1,00,000, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long gains tax in India.

Term capital The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a nondelivered basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, among o others things, provided a number of amendments to the direct and indirect tax regime, including,

without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

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

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

75. 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 restated 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. For details, refer chapter titled "Presentation of Financial Industry and Market Data" beginning on Page 13 of this Prospectus.

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.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements

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

EXTERNAL RISKS

77. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GOI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

78. Our business is affected by global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Financial disruptions may occur again and could harm our business, financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for

the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, financial condition and results of operations.

In February 2022, hostilities between Russia and the Ukraine commenced, which has led stock, commodities and foreign exchange markets worldwide to fluctuate. In addition, the market price of oil has risen sharply since the commencement of hostilities in the Ukraine, which may have an inflationary effect in India and other countries. A prolonged war or a protracted period of hostilities in the Ukraine may lead to global economic disturbances.

If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, financial condition, results of operations and prospects may be adversely affected.

79. *Changing regulations in India could lead to new compliance requirements that are uncertain.*

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, financial condition, results of operations and prospects.

80. *A slowdown in our exports due to tariffs and trade barriers and international sanctions could adversely affect our business, financial condition and results of operations.*

A significant portion of our revenue is derived from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the European Community and the United States, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. In February 2022, hostilities between Russia and the Ukraine commenced, which has led to the imposition of sanctions of various Russian interests (and in some cases Belarus) by the European Union, Australia, Canada, Japan, New Zealand, Switzerland, South Korea, the United Kingdom and the United States. Any such imposition of trade barriers or international sanctions may have an adverse effect on our business, financial condition and results of operations.

81. *Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.*

Our operations including our manufacturing facilities and research and development activities may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our Senior Management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our facilities. Any of the above factors may adversely affect our business, financial condition and results of operations.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Present relations between India and Pakistan continue to be fragile on the issues of terrorism, armaments and Kashmir. In April 2019, skirmishes along India's border with Pakistan and the downing of an Indian military jet fighter plane significantly escalated tensions between the two countries. India has also experienced terrorist attacks in some parts of the country. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

82. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The Consumer Price Index increased from 3.4% (average) in Fiscal 2019 to 4.8% (average) in Fiscal 2020 to an estimated 6.2% (average) in Fiscal 2021 although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. In February 2022, hostilities between Russia and the Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which could have an inflationary effect in India. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, raw materials and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

83. *The extent and reliability of Indian infrastructure, to the extent insufficient, could adversely impact our business, financial condition and results of operations.*

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

84. *Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 261. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

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

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

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

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

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

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

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

86. *A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian Law.*

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

87. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in

each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have in the past experienced substantial dislocations, liquidity disruptions and market corrections.

SECTION IV – INTRODUCTION

THE ISSUE

Equity Shares Issued⁽¹⁾: Present Issue of Equity Shares by our Company:⁽²⁾	6,00,000 Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ 185/- per Equity Share aggregating ₹ 1,110.00 Lakhs
Of which:	
Issue Reserved for the Market Maker	31,200 Equity Shares of face value of ₹ 10/- each fully paid up for cash at a price of ₹ 185/- per Equity Share aggregating ₹ 57.72 Lakhs
Net Issue to Public	Of which⁽⁴⁾:
	2,84,400 Equity Shares of having face value of ₹ 10/- each fully paid-up for cash at a price of ₹ 185/- per Equity Share will be available for allocation for Investors of up to ₹ 2.00 Lakhs
	2,84,400 Equity Shares of having face value of ₹ 10/- each fully paid-up for cash at a price of ₹ 185/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 Lakhs
Equity shares outstanding prior to the Issue	15,00,000 Equity Shares of face value of ₹ 10/- each fully paid-up
Equity shares outstanding after the Issue	21,00,000 Equity Shares of face value of ₹ 10/- each fully paid-up
Use of Net Proceeds	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 77 of this Prospectus

Notes:

- (1) This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please see the chapter titled “Issue Structure” beginning on page 237 of this Prospectus.
- (2) The present Issue has been authorized pursuant to a resolution of our Board dated July 07, 2023 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 July 07, 2023.
- (3) Since present issue is a Fixed Price Issue, the allocation in the Net Issue to the public category in terms of Regulation 253 of the SEBI ICDR Regulations shall be made as follows:
 - a) Minimum fifty percent to Retail Individual Investors; and
 - b) Remaining to
 - (i) individual applicants other than Retail Individual Investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the Retail individual investor category is entitled to more than fifty per cent. of the issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

For details, including in relation to grounds for rejection of Applications, refer to “Issue Structure” and “Issue Procedure” beginning on 237 and 239, of this Prospectus respectively. For details of the terms of the Issue, see “Terms of the Issue” beginning on page 230 of this Prospectus.

SUMMARY OF FINANCIAL INFORMATION

ANNEXURE – I: RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Annexure	For The Year Ended 31st March		
		2023	2022	2021
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	V	50.00	50.00	50.00
(b) Reserves and surplus	VI	125.12	(120.97)	(278.03)
		175.12	(70.97)	(228.03)
Non-Current liabilities				
(a) Long-term Borrowings	VIIA	571.19	489.15	404.34
(b) Deferred tax liabilities (net)	XIII	15.99	-	-
(c) Long term provisions	VIII	34.97	33.29	26.25
		622.15	522.44	430.59
Current liabilities				
(a) Short term borrowings	VIIA	472.47	446.43	543.23
(b) Trade payables	IX			
(i) Total outstanding dues of micro and small enterprises		199.44	165.22	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		167.13	147.22	309.89
(c) Other current liabilities	X	82.02	52.61	40.06
(d) Short-term provisions	XI	32.87	12.54	6.28
		953.93	824.02	899.46
TOTAL		1,751.20	1,275.48	1,102.02
ASSETS				
Non-current assets				
(a) Property, plant and equipment	XII	357.86	279.93	202.09
(b) Intangibles	XII	2.48	3.70	5.33
(c) Deferred tax assets (net)	XIII	-	55.52	21.83
(d) Long-term loans and advances	XIV	10.07	24.20	13.82
		370.41	363.35	243.07
Current assets				
(a) Inventories	XV	911.37	550.27	551.57
(b) Trade receivables	XVI	258.52	263.26	221.69
(c) Cash and bank balance	XVII	20.03	20.47	27.26
(d) Short-term loans and advances	XVIII	190.87	78.13	45.86
(e) Other Current Assets	XIX	-	-	12.57
		1,380.79	912.13	858.95
TOTAL		1,751.20	1,275.48	1,102.02

ANNEXURE – II: RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Annexure	For The Year Ended 31st March		
		2023	2022	2021
Income				
Revenue from operations	XX	3,681.45	2,668.35	1,439.12
Other income	XXI	14.71	0.49	2.59
TOTAL INCOME		3,696.16	2,668.84	1,441.71
Expenses				
(a) Cost of Material Consumed	XXII	1,915.79	1,259.19	468.79
(b) Increase/Decrease in Stock in trade	XXIII	(401.95)	49.72	77.58
(c) Employee benefits expense	XXIV	692.90	555.19	360.86
(d) Finance costs	XXV	98.99	85.62	106.03
(e) Depreciation and amortisation expense	XII	51.72	30.55	30.87
(f) Other expenses	XXVI	993.50	565.21	360.95
TOTAL EXPENSES		3,350.95	2,545.48	1,405.08
Profit / (Loss) before tax		345.22	123.37	36.63
Tax expenses:				
(a) Current tax expense		27.62	-	-
(b) Earlier year Tax		-	-	-
(c) Deferred tax expense / (benefit)		71.51	(33.69)	(1.42)
Net tax expense/(benefit)		99.13	(33.69)	(1.42)
Profit / (Loss) for the year		246.09	157.06	38.05
Earnings per share (of Rs. 10 each)				
(a) Basic & Diluted		16.41	10.47	2.54

ANNEXURE – III: RESTATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

	Particulars	For The Year Ended 31st March		
		2023	2022	2021
A	CASH FLOW FROM OPERATING ACTIVITIES:			
	Net profit before tax	345.22	123.37	36.63
	Adjustments:			
	Depreciation & Amortisation	51.72	30.55	30.87
	Interest Income	(0.52)	-	(0.41)
	Profit on sale of Fixed Assets	(6.06)	-	-
	Finance cost	98.99	85.62	106.03
	Provision for Gratuity	5.82	12.43	(7.24)
		149.95	128.60	129.25
	Operating cash flow before working capital changes	495.17	251.97	165.88
	Movement in working capital			
	I. Adjustments for (Increase)/decrease in operating assets:			
	Trade receivables	4.74	(41.57)	(100.71)
	Inventories	(361.10)	1.30	25.81
	Short-term loans & advance	(112.74)	(32.27)	(7.77)
	Other Current Assets	-	12.57	(7.06)
	Long term loans & advance	-	-	0.70
	II. Adjustments for (Increase)/decrease in operating liabilities:			
	Trade payables	54.13	2.55	28.04
	Other current liabilities	29.41	12.55	2.87
	Provisions	(0.04)	0.87	-
		(385.60)	(44.00)	(58.12)
	Cash generated from operations	109.57	207.98	107.76
	Net income taxes paid	2.74	(10.38)	(2.30)
	Net cash (used in) / provided by operating activities (A)	112.31	197.59	105.46
B	CASH FLOWS FROM INVESTING ACTIVITIES:			
	Purchase of fixed assets & including intangible assets	(132.20)	(106.76)	(9.94)
	Sale of Fixed Assets	9.83	-	
	Interest Received	-	-	0.41
	Net cash provided by / (used in) investing activities (B)	(122.37)	(106.76)	(9.53)
C	CASH FLOWS FROM FINANCING ACTIVITIES:			
	Proceeds from Long Term Borrowings	82.04	84.81	20.90
	Proceeds from/(Repayment) of Short-Term Borrowings	26.04	(96.80)	(2.41)
	Interest Income	0.52	-	-
	Interest paid	(98.99)	(85.62)	(106.03)
	Net cash flow from/ (used in) financing activities (C)	9.62	(97.62)	(87.54)
	Net increase / (decrease) in cash & cash equivalents (A+B+C)	(0.44)	(6.79)	8.39
	Cash & cash equivalents as at the beginning of the year	20.47	27.26	18.87
	Cash & cash equivalents as at the end of the year	20.03	20.47	27.26
	Notes to Cash Flow Statement:			
1	Component of cash and cash equivalent:			
	- Cash in hand	8.97	15.85	20.41
	- Balance with Bank	11.06	4.62	6.85
		20.03	20.47	27.26

GENERAL INFORMATION

REGISTERED OFFICE

C P S Shapers Limited

201-204, 2nd Floor,
Swamini Industrial Estate No 3,
Opp. Varun Industries, Nanal Nagar,
Waliy, Vasai, Palghar - 401 208, Maharashtra, India
Tel No.: +91 9084735560
Email: investor@dermawear.co.in
Website: www.cpsshapersltd.com

CORPORATE OFFICE

C P S Shapers Limited

Plot No. 31, New Mayur Vihar
Near Raj Vansh Vihar, Garh Road,
Meerut - 250002, Uttar Pradesh, India
Tel No.: +91 9084735560
Email: investor@dermawear.co.in
Website: www.cpsshapersltd.com

REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai

Ministry of Corporate Affairs,
5th Floor, 100, Everest Building,
Netaji Subhash Road, Marine Drive
Mumbai - 400 002, Maharashtra, India
Tel No.: 022 - 2281 2627
Fax.: 022 - 2281 1977
Email.: roc.mumbai@mca.gov.in
Website.: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

NSE Emerge

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block
Bandra – Kurla Complex
Bandra (E) Mumbai – 400 051
Maharashtra, India
Tel No.: 022 – 2659 8100/ 8114
Website: www.nseindia.com

BOARD OF DIRECTORS

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

Name	Designation	DIN	Residential Address
Mr. Abhishek Kamal Kumar	Chairman & Managing Director	03513668	C-39, Moti Prayag Colony, Behind Anand Hospital, Thana Medical, Meerut 250 004, Uttar pradesh, India.
Ms. Bhawna Kumar	Whole Time Director	03587088	C-39, Moti Prayag Colony, Behind Anand Hospital, Thana Medical, Meerut 250 004, Uttar pradesh, India.
Mr. Rajendra Kumar	Non-Executive Director	03513800	C-39, Moti Prayag Colony, Behind Anand Hospital, Thana Medical, Meerut 250 004, Uttar pradesh, India.
Mr. Abhav K Kumar	Non-Executive Director	10042678	C-39, Moti Prayag Colony, Behind Anand Hospital, Thana Medical, Meerut 250 004, Uttar pradesh, India.
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	07760812	E-301 New Sai Charan Darshan CHS LTD, Indralok PH-2 A, Gopal Patil Road, Near Pramod Maharajan Hall,

Name	Designation	DIN	Residential Address
			Bhainder East, Thane 401 105, India.
Ms. Trupti R Kalsariya	Non-Executive Independent Director	10226827	B-712, 7 th Floor Khot Dongri Hieghts Rani Sati Marg, Opp. Laxminarayan Temple, Malad East 400 0097, Maharashtra, India.
Mr. Vijay Mukesh Thakkar	Non-Executive Independent Director	10227101	Shivde Chawal, Room No. 2, Kala Talav, VIR Kotval Chowk, Kalyan West 421 301, Thane, India.

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 162 of this Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Nikunj Haresh Gatecha is our Company Secretary and Compliance Officer. His contact details are as follows;

Mr. Nikunj Haresh Gatecha

201-204, 2nd Floor, Swamini Industrial Estate No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai- 401 208, Maharashtra, India

Tel No.: +91 9084735560

Email: cs@dermawear.co.in

Website: www.cpsshapersltd.com

LEAD MANAGER TO THE ISSUE

Shreni Shares Limited

(Formerly known as Shreni Shares Private Limited)

A-102, Sea Lord CHS, Above Axis Bank, Ram Nagar, Borivali (West),

Mumbai - 400 092, Maharashtra, India

Tel No: 022 - 2808 8456

Email: shrenishares@gmail.com

Website: www.shreni.in

Investor Grievance E-mail: info@shreni.in

Contact Person: Mr. Parth Shah

SEBI Registration Number: INM000012759

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400 093, Maharashtra, India.

Tel No: 022 – 6263 8200

Email: ipo@bigshareonline.com

Investor Grievance E-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Asif Sayyed

SEBI Registration Number: INR000001385

LEGAL ADVISOR TO THE ISSUE

M/s. Asha Agarwal & Associates

118, Shila Vihar, Gokulpura, Kalwar Road, Jhotwara, Jaipur – 302 012, Rajasthan, India

Tel: 99509 33137

E-mail: ashaagarwalassociates@gmail.com

Contact Person: Ms. Nisha Agarwal

ADVISOR TO THE ISSUE

UNICORN EQUICORP Private Limited

B-1 / 628, First Floor, Janak Puri,

New Delhi – 110 058, India.

Tel: +91-11-25524044

E-mail: bhatiarajan4@gmail.com

Contact Person: CA Mr. Rajan Bhatia

BANKERS TO THE ISSUE / REFUND BANK / SPONSOR BANK

Kotak Mahindra Bank Limited

Kotak Infiniti, 6th Floor, Building No. 21,

Infinity Park, Off Western Express Highway,

General AK Vaidya Marg, Malad (East)

Mumbai – 400 097, Maharashtra, India

Tel No: 022-66056588

E-mail: cmsipo@kotak.com

Website: www.kotak.com

Contact Person: Mr. Siddhesh Shirodkar

SEBI Registration No.: INBI00000927

BANKERS TO THE COMPANY

Bank of India Limited

No.88, Sangvi Chambers,

Dr. Dalvi Cross Road, Kandivali West,

Mumbai – 400067, Maharashtra, India.

Tel No.: 022 - 28054794

Email: kandivali.mumbainort@bankofindia.co.in

Website: www.bankofindia.co.in

Contact Person: Mr. Himanshu Shekar

IDBI Bank Limited

126/7, RTO Road, Shastri Nagar,

Meerut, Uttar Pradesh, India.

Tel No.: 01212760028

Email: IBKL0000278@idbi.co.in

Website: www.idbi.com

Contact Person: Mr. Shardul Mishra

STATUTORY AND PEER REVIEW AUDITORS OF OUR COMPANY

M/s. Vinay Bhushan & Associates,

726, 7th Floor, D- Wing,

Neelkanth Business Park,

Near Bus Depot, Vidyavihar (West), Mumbai- 400086

Maharashtra, India

Tel No.: +91 22 25138323

Email: vinay@vbaconsult.com

Contact Person: Mr Vinay Bhushan

Firm Registration No.: 130529W

Membership No: 502632

Peer Review No: 015503

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Shreni Shares Limited (*Formerly known as Shreni Shares Private Limited*) is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Applicant (other than an UPI Applicants using the UPI mechanism), not applying through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time. Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Applicants (other than UPI Applicants) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE AS ISSUER BANKS FOR UPI MECHANISM AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Applicants using the UPI mechanism may only apply through the SCSBs and mobile applications (apps) using the UPI handles whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. A list of SCSBs and mobile applications, which are live for applying public issues using UPI mechanism is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

SYNDICATE SCSB BRANCHES

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

INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

REGISTERED BROKERS

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx And www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, 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 (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, or such other websites as updated from time to time.

CREDIT RATING

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

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.

DEBENTURE TRUSTEES

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

MONITORING AGENCY

Since our Issue size does not exceed ₹ 10,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this 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.

FILING OF THE PROSPECTUS/ PROSPECTUS

The Draft Prospectus and Prospectus shall be filed on NSE Emerge at Exchange Plaza, Plot no. C/1, G Block Bandra – Kurla Complex, Bandra (E) Mumbai – 400 051, Maharashtra, India.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Prospectus has not been submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400 002 Maharashtra, India at least (3) three working days prior from the date of opening of the Issue.

APPRAISING ENTITY

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

TYPE OF ISSUE

The present Issue is considered to be 100% Fixed Price Issue.

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

EXPERT OPINION

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

Our Company has received written consent from the Peer Reviewed Auditors namely, M/s Vinay Bhushan & Associates, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated July 15,

2023, and the Statement of Special Tax Benefits dated July 25, 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.

CHANGES IN AUDITORS

Except as disclosed below, there has been no change in the Statutory Auditors during the three years immediately preceding the date of this Prospectus.

From	To	With effect from	Reason for change
M/s Rashmikant I Choksey, Chartered Accountant	M/s Vinay Bhushan and Associates, Chartered Accountant	June 09, 2022	Resignation

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten by Shreni Shares Limited (*Formerly known as Shreni Shares Private Limited*) in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated August 14, 2023, 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:

(₹ in Lakhs except no of shares)

Details of the Underwriter	No. of Equity Shares Underwritten	Amount Underwritten	% of total Issue size underwritten
Shreni Shares Limited <i>(Formerly known as Shreni Shares Private Limited)</i> Address: A-102, Sea Lord CHS, Above Axis Bank, Ram Nagar, Borivali West, Mumbai – 400 092, Maharashtra, India Tel No.: 022 - 2808 8456 Email: shrenishares@gmail.com SEBI Registration Number: INM000012759 Contact Person: Mr. Parth Shah	6,00,000*	₹ 1,110.00	100.00%
Total	6,00,000	₹ 1,110.00	100.00%

*Includes 31,200 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.

In the opinion of the Board of our Directors of our company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full.

MARKET MAKER

Shreni Shares Limited

(Formerly known as Shreni Shares Private Limited)

A-102, Sea Lord CHS, Above Axis bank,
 Ram Nagar, Borivali (West), Mumbai - 400 092,
 Maharashtra, India

Tel: 022 - 2808 8456

Email: shrenisharespvtltd@yahoo.in

Website: www.shreni.in

Contact Person: Mr. Hitesh Punjani

SEBI Registration No.: INZ000268538

NSE Clearing Number: 14109

DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated August 14,

2023 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

Shreni Shares Limited, registered with NSE Emerge will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. 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 prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of NSE Emerge and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to issue 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. Based on the IPO price of ₹ 185/- per share the minimum lot size is 600 Equity Shares thus minimum depth of the quote shall be 600 until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE Emerge from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE Emerge Platform and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13. 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.
14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
15. In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
16. **Risk containment measures and monitoring for Market Maker:** NSE Emerge Platform will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
17. **Punitive Action in case of default by Market Maker:** NSE Emerge will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing 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.
18. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹250 Crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The 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.

19. The following spread will be applicable on the NSE Emerge:

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

20. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the 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%

21. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE from time to time.
22. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

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

CAPITAL STRUCTURE

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

(₹ in Lakhs except no of shares)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
A.	Authorized Share Capital		
	50,00,000 Equity Shares of face value of ₹ 10/- each	500.00	-
B.	Issued, Subscribed and Paid-Up Equity Capital before the Issue		
	15,00,000 Equity Shares of face value of ₹ 10/- each	150.00	-
C.	Present Issue in Terms of this Prospectus		
	Issue of 6,00,000 Equity Shares of face value of ₹ 10/- each ⁽¹⁾	60.00	1,110.00
	<i>Of which:</i>		
	31,200 Equity Shares of face value of ₹ 10/- each at a price of ₹ 185/- per Equity Share reserved as Market Maker Portion	3.12	57.72
	Net Issue to Public of 5,68,800 Equity Shares of ₹ 10/- each at a price of ₹ 185/- per Equity Share to the Public	56.88	1,052.28
	<i>Of which:</i> ⁽²⁾		
	Allocation to Retail Individual Investors of 2,84,400 Equity Shares	28.44	526.14
	Allocation to other than Retail Individual Investors of 2,84,400 Equity Shares	28.44	526.14
D.	Paid-up Equity Capital after the Issue		
	21,00,000 Equity Shares of face value of ₹ 10/- each	210.00	
E.	Securities Premium Account		
	Before the Issue		Nil
	After the Issue		1,050.00

(1) The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 07, 2023 and by our Shareholders pursuant to a Special Resolution passed at the Extra Ordinary General meeting held on July 07, 2023.

CLASS OF SHARES

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

NOTES TO THE CAPITAL STRUCTURE

1. Changes in Authorized Share Capital

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

- a) The initial authorized share capital of ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each.
- b) The Authorized Share Capital was increased from ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹ 50,00,000/- divided into 5,00,000 Equity Shares of ₹ 10/- each vide Shareholders' Resolution dated January 21, 2014.
- c) The Authorized Share Capital was increased from ₹ 50,00,000/- divided into 5,00,000 Equity Shares of ₹10/- each to ₹ 5,00,00,000/- divided into 50,00,000 Equity Shares of ₹ 10/- each vide Shareholders' Resolution dated January 13, 2023.

2. Equity Share Capital History of our Company

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

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10,000	10/-	10/-	Cash	Subscription to MOA ⁽ⁱ⁾	10,000	1,00,000	Nil
October 16, 2012	80,000	10/-	10/-	Cash	Further Allotment ⁽ⁱⁱ⁾	90,000	9,00,000	Nil
March 01, 2014	4,10,000	10/-	10/-	Cash	Further Allotment ⁽ⁱⁱⁱ⁾	5,00,000	50,00,000	Nil
June 30, 2023*	10,00,000	10/-	Nil	Other than Cash	Bonus Issue ^(iv)	15,00,000	1,50,00,000	Nil

*The Bonus Issue has been approved by our shareholders vide Extra - Ordinary General meeting held on June 30, 2023.

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

Sr No	Name	No of Equity Shares
1.	Mr. Rajendra Kumar	5,000
2.	Mr. Abhishek Kamal Kumar	5,000
	Total	10,000

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

Sr. No	Name	No of Equity Shares
1.	Mr. Rajendra Kumar	40,000
2.	Mr. Abhishek Kamal Kumar	40,000
	Total	80,000

(iii) Further Allotment of 4,10,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ 10/- each.:

Sr. No	Name	No of Equity Shares
1.	Mr. Rajendra Kumar	1,15,000
2.	Mr. Abhishek Kamal Kumar	85,000
3.	Ms. Kamlesh Kumar	80,000
4.	Dayal Hosiery Private Limited	80,000
5.	CP&S Orthotics Private Limited	50,000
	Total	4,10,000

(iv) Bonus Issue of 10,00,000 Equity Shares of face value of ₹ 10/- each in the ratio of 2:1 i.e., 2 Bonus Equity Shares for 1 Equity Shares held:

Sr. No	Name	No of Equity Shares
1.	Mr. Abhishek Kamal Kumar	7,60,000
2.	Mr. Rajendra Kumar	80,000
3.	Ms. Kamlesh Kumar	80,000
4.	Mr. Abhav A Kumar	2,000
5.	Ms. Bhawana Kumar	74,000
6.	Mr. Rakesh Roshan	2,000
7.	Ms. Ruchi Kumar	2,000
	Total	10,00,000

3. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 30, 2023	10,00,000	10/-	Nil	Bonus Issue	Capitalization of Surplus	Mr. Abhishek Kamal Kumar	7,60,000
						Mr. Rajendra Kumar	80,000
						Mr. Kamlesh Kamal Kumar	80,000
						Ms. Bhawana Kumar	74,000
						Mr. Abhav A Kumar	2,000
						Mr. Rakesh Roshan	2,000
						Ms. Ruchi Kumar	2,000

4. No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. Except as disclosed below, we have not issued any Equity Shares at price below Issue price within last one year from the date of this Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 30, 2023	10,00,000	10/-	Nil	Bonus Issue	Capitalization of Surplus	Mr. Abhishek Kamal Kumar	7,60,000
						Mr. Rajendra Kumar	80,000
						Mr. Kamlesh Kamal Kumar	80,000
						Ms. Bhawana Kumar	74,000
						Mr. Abhav A Kumar	2,000
						Mr. Rakesh Roshan	2,000
						Ms. Ruchi Kumar	2,000

8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class-Equity	Class	Total	Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
A	Promoter & Promoter Group	6	14,97,000	-	-	14,97,000	99.80	14,97,000	-	14,97,000	99.80	-	99.80	-	-	-	-	14,97,000
B	Public	1	3,000	-	-	3,000	0.20	3,000	-	3,000	0.20	-	0.20	-	-	-	-	3,000
C	Non – Promoter Non – Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	15,00,000	-	-	15,00,000	100.00	15,00,000	-	15,00,000	100.00	-	100.00	-	-	-	-	15,00,000

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

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Issue Equity Share Capital (%)
1.	Mr. Abhishek Kamal Kumar	11,40,000	76.00%
2.	Mr. Rajendra Kumar	1,20,000	8.00%
3.	Ms. Kamlesh Kumar	1,20,000	8.00%
4.	Ms. Bhawana Kumar	1,11,000	7.40%
	Total	14,91,000	99.40%

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

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre-Issue Equity Share Capital (%)
1.	Mr. Abhishek Kamal Kumar	1,30,000	26.00%
2.	Mr. Rajendra Kumar	1,60,000	32.00%
3.	Ms. Kamlesh Kumar	79,900	15.98%
4.	Dayal Hosiery Private Limited	80,000	16.00%

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre-Issue Equity Share Capital (%)
5.	CP&S Orthotics Private Limited	50,000	10.00%
	Total	4,99,900	99.98%

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

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre-Issue Equity Share Capital (%)
1.	Mr. Abhishek Kamal Kumar	1,30,000	26.00%
2.	Mr. Rajendra Kumar	1,60,000	32.00%
3.	Ms. Kamlesh Kumar	79,900	15.98%
4.	Dayal Hosiery Private Limited	80,000	16.00%
5.	CP&S Orthotics Private Limited	50,000	10.00%
	Total	4,99,900	99.98%

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

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Issue Equity Share Capital (%)
	Mr. Abhishek Kamal Kumar	11,40,000	76.00%
2.	Mr. Rajendra Kumar	1,20,000	8.00%
3.	Ms. Kamlesh Kumar	1,20,000	8.00%
4.	Ms. Bhawana Kumar	1,11,000	7.40%
	Total	14,91,000	99.40%

13. Our Company has not made any public Issue (including any rights issue to the public) since its incorporation.
14. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening issue of the by way of split/consolidation of the denomination of Equity Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

15. Shareholding of our Promoters.

As on the date of this Prospectus, our Promoters hold 84.00% of the pre- Issue, subscribed and paid-up Equity Share capital of our Company.

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

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
Mr. Rajendra Kumar									
On Incorporation	Subscription to MOA	Cash	5,000	5,000	10/-	10/-	0.33%	0.24%	No
October 16, 2012	Further Allotment	Cash	40,000	45,000	10/-	10/-	2.67%	1.90%	No
March 01, 2014	Further Allotment	Cash	1,15,000	1,60,000	10/-	10/-	7.67%	5.48%	No

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
March 15, 2023	Transfer to Abhishek Kamal Kumar	Cash	(1,20,000)	40,000	10/-	20/-	(8.00%)	(5.71%)	No
June 30, 2023	Bonus Issue	Other than Cash	80,000	1,20,000	10/-	Nil	5.33%	3.81%	No
	Total			1,20,000			8.00%	5.71%	
Mr. Abhishek Kamal Kumar									
On Incorporation	Subscription to MOA	Cash	5,000	5,000	10/-	10/-	0.33%	0.24%	No
October 16, 2012	Further Allotment	Cash	40,000	45,000	10/-	10/-	2.67%	1.90%	No
March 01, 2014	Further Allotment	Cash	85,000	1,30,000	10/-	10/-	5.67%	4.05%	No
March 15, 2023	Transfer from Rajendra Kumar	Cash	1,20,000	2,50,000	10/-	20/-	8.00%	5.71%	No
March 24, 2023	Transfer from Dayal Hosiery Private Limited	Cash	80,000	3,30,000	10/-	20/-	5.33%	3.81%	No
March 27, 2023	Transfer from CP&S Orthotics Private Limited	Cash	50,000	3,80,000	10/-	20/-	3.33%	2.38%	No
June 30, 2023	Bonus Issue	Other than Cash	7,60,000	11,40,000	10/-	Nil	50.67%	36.19%	No
	Total			11,40,000			76.00%	54.29%	

16. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group.

Category of Promoter	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
Promoters				
Mr. Abhishek Kamal Kumar	11,40,000	76.00%	11,40,000	54.29%
Mr. Rajendra Kumar	1,20,000	8.00%	1,20,000	5.71%
Promoter Group				
Ms. Kamlesh Kamal Kumar	1,20,000	8.00%	1,20,000	5.71%
Ms. Bhawana Abhishek Kumar	1,11,000	7.40%	1,11,000	5.29%
Mr. Abhav K Kumar	3,000	0.20%	3,000	0.14%
Ms. Ruchi Kumar	3,000	0.20%	3,000	0.14%
Total	14,97,000	99.80%	14,97,000	71.29%

17. Except as mentioned below, there were no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of this Prospectus.

Sr. No.	Name of Shareholder	Date of Transaction	Promoters/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Mr. Rajendra Kumar	March 15, 2023	Promoter and Non- Executive Director		(1,20,000)	Transfer to Abhishek Kamal Kumar.
		June 30, 2023		80,000	-	Bonus Issue in the ratio of 2:1 (Consideration other than Cash).
2.	Mr. Abhishek Kamal Kumar	March 15, 2023	Promoter and Managing Director	1,20,000	-	Transfer from Rajendra Kumar.
		March 24, 2023		80,000	-	Transfer from Dayal Hosiery Private Limited.
		March 27, 2023		50,000	-	Transfer from CP&S Orthotics Private Limited.
		June 30, 2023		7,60,000	-	Bonus Issue in the ratio of 2:1 (Consideration other than Cash).
3.	Ms. Kamlesh Kumar	March 23, 2023	Promoter Group		(36,900)	Transfer to Bhavana Kumar.
		March 29, 2023		-	(1,000)	Transfer to Rakesh Roshan.
		March 29, 2023		-	(1,000)	Transfer to Abhav A Kumar.
		March 29, 2023		-	(1,000)	Transfer to Ruchi Kumar.
		June 30, 2023		80,000	-	Bonus Issue in the ratio of 2:1 (Consideration other than Cash).
4.	Ms. Bhawana Kumar	March 23, 2023	Promoter Group and Whole Time Director	100	-	Transfer from Amit Kaushik.
		March 23, 2023		36,900	-	Transfer from Kamlesh Kamal Kumar.
		June 30, 2023		80,000	-	Bonus Issue in the ratio of 2:1 (Consideration other than Cash).
5.	Mr. Abhav K Kumar	March 29, 2023	Promoter Group and Non- Executive Director	1,000		Transfer from Kamlesh Kamal Kumar.
		June 30, 2023		2,000	-	Bonus Issue in the ratio of 2:1 (Consideration other than Cash).
6.	Ms. Ruchi Kumar	March 29, 2023	Promoter Group	1,000	-	Transfer from Kamlesh Kamal Kumar.
		June 30, 2023		2,000	-	Bonus Issue in the ratio of 2:1 (Consideration other than Cash).

18. None of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held	% of pre issue paid up capital	% of post issue paid up capital
Mr. Abhishek Kamal Kumar	Chairman and Managing Director	11,40,000	76.00%	54.29%
Mr. Rajendra Kumar	Non-Executive Director	1,20,000	8.00%	5.71%
Ms. Bhawana Kumar	Whole Time Director	1,11,000	7.40%	5.29%
Mr. Abhav K Kumar	Non-Executive Director	3,000	0.20%	0.14%

19. None of our Promoter, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Prospectus.

20. Promoter Contribution and Lock-in details

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

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoter shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Prospectus, our Promoters holds 12,60,000 Equity Shares constituting 60.00 % of the Post Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoter Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified below.

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

Name of Promoters	Date of Allotment/Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Post-Issue Paid-up Capital	Lock-in Period
Mr. Rajendra Kumar	June 30, 2023	80,000	40,800	₹ 10/-	₹ 185/-	Bonus Issue	1.94%	3 years
Mr. Abhishek Kamal Kumar	On Incorporation	5,000	5,000	₹ 10/-	₹ 185/-	On incorporation	0.24%	3 years
	October 16, 2012	40,000	40,000	₹ 10/-	₹ 185/-	October 16, 2012	1.90%	3 years
	March 01, 2014	85,000	85,000	₹ 10/-	₹ 185/-	March 01, 2014	4.05%	3 years
	June 30, 2023	7,60,000	2,60,000	₹ 10/-	₹ 185/-	June 30, 2023	12.38%	3 years

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

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

- The Equity Shares held by the Promoter and issued for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoter for inclusion of 4,30,800 Equity Shares for ensuring lock-in of three years to the extent of minimum 20.51 % of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.
- The minimum Promoter Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI ICDR Regulations.
- We further confirm that our Promoter Contribution of minimum 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

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

Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoter, which will be locked-in as minimum Promoters contribution for three years, all pre-issue 10,69,200 Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

Inscription or recording of non-transferability

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

Pledge of Locked in Equity Shares

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

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

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

Transferability of Locked in Equity Shares

- 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 Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

- Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
- All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.

23. As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
24. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
25. 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 239 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
26. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the 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 Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
27. Subject to valid applications being 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.
28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
29. We have 7 (Seven) Shareholders as on the date of filing of the Prospectus.
30. As per RBI regulations, OCBs are not allowed to participate in this Issue.
31. Our Company has not raised any bridge loans.
32. 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.
33. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
34. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
35. Our Promoters and Promoter Group will not participate in the Issue.
36. There are no safety net arrangements for this Public Issue.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

REQUIREMENT OF FUNDS

The Issue comprises of fresh issue of 6,00,000 Equity Shares by our Company aggregating to ₹ 1,110.00 Lakhs.

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

1. Purchase of Plant and Machinery at our existing Manufacturing facility
2. Purchase of Commercial Vehicle
3. Funding of capital expenditure requirements of our Company towards purchase of Solar Power System
4. Upgradation of existing IT Software at our existing manufacturing facility and registered office
5. Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial institutions
6. Funding Working Capital Requirements of our Company
7. General corporate purposes#

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

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the NSE Emerge including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

ISSUE PROCEEDS

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

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds of the Issue	1,110.00
Less: Issue related Expenses ⁽¹⁾	128.00
Net Proceeds of the Issue	982.00

(1) The Issue related expenses shall be determined at the time of filing Prospectus with RoC.

UTILISATION OF NET PROCEEDS

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

Sr. No	Particulars	Estimated Amt (₹ Lakhs) *	% Of Gross Proceeds	% Of Net Proceeds
1.	Purchase of Plant and Machinery at our existing manufacturing facility	178.68	16.10%	18.20%
2.	Purchase of Commercial Vehicle	9.53	0.86%	0.97%
3.	Funding of capital expenditure requirements of our Company towards purchase of Solar Power System	21.00	1.89%	2.14%
4.	Upgradation of existing IT Software at our existing manufacturing facility and registered office	18.20	1.64%	1.85%
5.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks and financial institutions	167.01	15.05%	17.01%
6.	Funding Working Capital Requirements of our Company	405.58	36.54%	41.30%
7.	General corporate purposes#	182.00	16.40%	18.53%
	Total	982.00	88.47%	100.00%

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

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 financed from Net Proceeds*	Estimated Utilization of Net Proceeds in F. Y. 2023-24
1.	Purchase of Plant and Machinery at our existing manufacturing facility	178.68	178.68
2.	Purchase of Commercial Vehicle	9.53	9.53
3.	Funding of capital expenditure requirements of our Company towards purchase of Solar Power System	21.00	21.00
4.	Upgradation of existing IT Software at our existing manufacturing facility and registered office	18.20	18.20
5.	Repayment/ prepayment of certain borrowings availed by our Company;	167.01	167.01
6.	Funding working capital requirements	405.58	405.58
7.	General corporate purposes [#]	182.00	182.00
	Total	982.00	982.00

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds. For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “Risk Factors” on page 23 of this Prospectus.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2023-24. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

MEANS OF FINANCE

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

DETAILS OF THE OBJECTS OF THE ISSUE

1. Purchase of Plant and Machinery

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand and upgrade our manufacturing capacities for existing products that we are in the process of developing and commercializing. We intend to increase our production capacity by way of installation of new plant and machineries at our existing manufacturing facility. We believe our investment in this plant and machineries will add on to our current installed capacity, thus, enabling us to cater to the growing demand from our customers and add new products in our existing product portfolio. The new plant and machineries to be installed are technological advanced and we intend to replace some of our plant and machineries with the new ones and partly install new plant and machinery at our manufacturing facility. We understand that the said installation and replacement shall allow us to be technologically advanced, allowing us to work under the same and approved power requirements and meet functional efficiencies. Relating to the relevant government approval, required for installation of new plant and machineries at our manufacturing facility, we understand that the same are already applied by our Company, for incremental increase in installed capacity, details of which have been mentioned in the chapter titled, “Government and Statutory Approvals” on page 211 of this Prospectus. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

Our Board in its meeting dated July 26, 2023 took note that an amount of ₹ 178.68 Lakhs is proposed to be utilised for purchase of machineries from the Net Proceeds. Our Company has received quotations from various suppliers for such machineries and is yet to place any orders or enter into definitive agreements for purchase of such machineries. Our Company intends to utilise ₹ 178.68 Lakhs from the Net Proceeds to purchase these machineries. The break-down of such estimated costs are set forth below:

Description	Quantity	Rs in lakhs*	Supplier	Date of Quotation	Validity	Installation Location	Type of Machine
Team 1			Maruthi Machine Works	June 30, 2023	6 Months from the date of Quotation	Manufacturing unit	Replacement
Industrial Overlock Machine	9	3.59					
Industrial Flatlock Machine	11	11.55					
Team 2							
Industrial Overlock Machine	13	4.63					
Industrial Flatlock Machine	14	16.10					
Team 3							
Industrial Overlock Machine	5	3.27					
Industrial Flatlock Machine	9	9.45					
Industrial Single Needle Machine	8	4.28					
Team 4							
Industrial Overlock Machine	9	3.22					
Industrial Flatlock Machine	9	8.93					
Industrial Single Needle Machine	8	2.66					
Team 5							
Industrial Overlock Machine	15	13.02					
Industrial Flatlock Machine	5	5.25					
Industrial Single Needle Machine	8	4.48					
Team 6							
Feed of the Arm Sewing Machine	5	3.99					
Crest make Servo Voltage Stabiliser (with first filing of	2 pc	5.70	Electro Engineers	July 01, 2023	6 Months from the date of	Manufacturing unit	New

Description	Quantity	Rs in lakhs*	Supplier	Date of Quotation	Validity	Installation Location	Type of Machine
oil) suitable for Unbalanced Input & Unbalanced Load – 3 Phase 4 Wire System					Quotation		
Industrial Cutting Machine (Band Knife Cloth Machine) Complete Set Model No. SMART CUT – SMC – 900A	2 Set	2.20	Selvam Machinery	July 01, 2023	6 Months from the date of Quotation	Manufacturing unit	New
UCJV300-160 INKJET PRINTER MIMAKI including FOC - 1 SET OF INK	1	14.50	Vee Kay Enterprises	July 24, 2023	6 Months from the date of Quotation	Manufacturing unit	New
Essae/SI-850	1	1.25	Info Weighing Systems	July 01, 2023	6 Months from the date of Quotation	Manufacturing unit	New
Essae/DS-852	1	0.09					
New GSM Cutter	1	0.09	Amith Garment Services	July 10, 2023	6 Months from the date of Quotation	Manufacturing unit	New
GSM Weighing Balance	1	0.07					New
Shrinkage Template and Scale-All in One	1	0.08					New
Colour Matching Cabinet-2 feet	1	0.30					New
Peel Bond Strength Tester Digital	1	0.04					New
Tearing Strength Tester Supplied with calibrated weights 6400gms.	1	0.68					New
Motorized Crock Meter- Digital	1	0.33					New
Needle Detector Machine – Hand held 0.8 mm	1	0.46					New
Humidity & Temperature Meter	1	0.05					New
Washing machine 6.5 Kg. Senorita SXS	1	0.36					New
Neck Stretch Gauge Jaw Holder 1. Template Size 26” to 27” 2. Template Size 28” to 29” 3. Template Size 29” to 32”	1	0.18					New
Stretch Recovery Tester/Extensometer for Fabrics – 2 stations wall mounted	1	0.50					New
Martindale Abrasion	1	1.85					New

Description	Quantity	Rs in lakhs*	Supplier	Date of Quotation	Validity	Installation Location	Type of Machine				
Cum pilling tester 4 station											
Pantone TCX Planner – (2625)	1 Nos	0.74	Kayemess Marketing	July 03, 2023	6 Months from the date of Quotation	Manufacturing unit	New				
Polyster Swatch Set	1 Set	0.49					New				
Dot Glue Machine	2	21.35	Marvel Exports (HK) Limited	July 19, 2023	6 Months from the date of Quotation	Manufacturing unit	New				
Flat heat press machine	1	3.28					New				
Laser point cutting machine	1	8.21					New				
GX350i 10 Inch Controller	1	1.28	Domino Printech India LLP	July 18, 2023	6 Months from the date of Quotation	Manufacturing unit	New				
Indian Plug Option for G20i	1	0.0018					New				
GX Head Standard Multi	2	1.00					New				
Printhead Cable 3M ASSY	2	0.12					New				
Grounding Cable Kit	1	0.0009					New				
GX Head Plate Kit, 2 Head, Two way	1	0.03					New				
Encoder Kit 3M, 200 mm Circumstance Wheel	1	0.08					New				
Remote Mounted Photocell Gx 350i & OEM	1	0.02					New				
GAA1064-Side` Mount Bracket	1	0.01					New				
GAA1062-Precision Adjustment Kit	1	0.11					New				
JT1610D -80W AF Laser Machine	1	7.60					Jiatai International Company India	July 22, 2023	6 Months from the date of Quotation	Manufacturing unit	New
TITAN C WASHER TITAN C DRYER	1	2.95					Fabcare (India) Pvt. Ltd.	July 24, 2023	6 Months from the date of Quotation	Manufacturing unit	New
Carton Stretch Wrapper Model 'JPM-BOXER XL'	1	1.75	Join Pack Machines Private Limited	July 19, 2023	6 Months from the date of Quotation	Manufacturing unit	New				
Supply of 58.5 KVA CPCB – IV, Phase, 415 Volts Silent DG Set comprising of Cummins make Engine Model X3.6-G3 developing 74.4 BHP coupled to 58.5 KVA, 415 Volts Stamford make Alternator both mounted on a common base frame, complete with:	1	6.50	Jakson Limited	August 08, 2023	6 Months from the date of Quotation	Manufacturing Unit	New				

Description	Quantity	Rs in lakhs*	Supplier	Date of Quotation	Validity	Installation Location	Type of Machine
a. Fuel Tank							
b. Battery and Leads							
c. AVM Pads							
d. Residential Silencer							
e. First fill of lube oil							
f. Acoustic Enclosure							
Manual Control Panel							
Total		178.68					

**Excluding GST. GST payable on such machineries will be paid from our internal accruals. Certain quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

** Exchange rate for the above quotation from Marvel Exports (HK) Limited is considered as 1 USD = ₹ 82.1029*

2. Purchase of Commercial Vehicle

Our Board in its meeting dated July 26, 2023 took note that an amount of ₹ 9.53 Lakhs is proposed to be utilised for purchase of commercial vehicle from the Net Proceeds. Our Company has received quotations from various suppliers for such vehicles and is yet to place any orders or enter into definitive agreements for purchase of such vehicles. Our Company intends to utilise ₹ 9.53 Lakhs from the Net Proceeds to purchase these vehicles. The break-down of such estimated costs are set forth below:

Our suppliers directly deliver raw materials to our manufacturing facility. We outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided between the customer and Company.

We enter into contracts with delivery companies pursuant to which such companies undertake the delivery of products to our consumers. We instruct the delivery companies to collect products from specified locations and deliver to our consumers in accordance with their orders. Apart from outsourcing the logistics operations, we also have in house arrangement for supply of our products by way of our owned commercial vehicles which is used to meet the logistics operations. We also intend to purchase one more commercial vehicle to reduce our dependency on third party logistics companies.

Description	Quantity	₹ in Lakhs*	Supplier	Date of Quotation	Validity	Usage
Bolero Maxx HD 17 LXBSb.2	1	9.53	Jai Arun Kumar (P) Ltd.	July 19, 2023	6 Months from the date of Quotation	Logistics

**Excluding GST. GST payable on such machineries will be paid from our internal accruals. Certain quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

3. Funding of capital expenditure requirements of our Company towards purchase of Solar Power System

Our Board in its meeting dated July 26, 2023 took note that an amount of ₹ 21.00 Lakhs is proposed to be utilised for funding of capital expenditure requirements of our Company towards purchase of Solar Power System from the Net Proceeds. Our Company has received quotations from various suppliers for such solar power system and is yet to place any orders or enter into definitive agreements towards purchase of such solar power system. Our Company intends to utilise ₹ 21.00 Lakhs from the Net Proceeds for funding of capital expenditure requirements of our Company towards purchase of Solar Power System. The break-down of such estimated costs are set forth below:

Adequate and cost-effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Our manufacturing process requires uninterrupted supply of electrical power in order to ensure that we are able to manufacture our products. The shortage or non-availability of electrical power may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition. Currently, we source our power requirements from the state electricity board. There can be no assurance that electricity supplied will be sufficient to meet our requirements or that we will be able to procure adequate and uninterrupted power supply in the future at a reasonable cost. If the supply of electricity is not available for any reason, we will need to rely on alternative sources. However, our Company have suitable power back-up to meet power failure exigencies such as diesel generator sets. Any failure on our part to obtain alternate sources of electricity, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, results of operations, cash flows and financial condition.

Our manufacturing process requires uninterrupted supply of Electric & Power for our manufacturing facility. We consume a substantial amount of power and fuel for our business operations. Our power requirements are met through local authorities, both at our manufacturing facility (registered office) and corporate office. To meet exigencies in case of power failure, we have also installed D.G. sets at our manufacturing unit.

We also intend to install solar power plant at our existing manufacturing facility to further decrease our cost and dependence on state electric supply.

The estimated cost for the purchase of Solar Power System is set forth below:

Sr No.	Particulars	Installation Location	Total Estimated Costs (in ₹ Lakhs) *	Name of Supplier	Date of Quotations	Validity
1.	50 kw Grid-connected Solar Power Plant (No Batteries)	Manufacturing Unit	21.00	Vortex Solar Energy Private Limited	July 09, 2023	6 Months from the date of Quotation

**Excluding GST. GST payable on such machineries will be paid from our internal accruals. Certain quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

4. Upgradation of existing IT Software at our existing manufacturing facility and registered office

Our Board in its meeting dated July 26, 2023 took note that an amount of ₹ 18.20 Lakhs is proposed to be utilised for Upgradation of existing IT Software at our existing manufacturing facility and registered office from the Net Proceeds.

Upgradation of existing IT Software at our existing manufacturing facility, registered office and corporate office shall enable better coordination and communication between all our team present at different locations. Installation of Corel Draw Graphic Suite Enterprise License shall enable our Company to adapt to the changing fashion trends and shall allow our graphic designers to be updated with the latest designs and prints for our products.

Our Company has received quotations from various suppliers and is yet to place any orders or enter into definitive agreements for purchase and installation of such IT infrastructure at our manufacturing facility, corporate office and registered office. The break-down of such estimated costs are set forth below:

Description	Quantity	₹ in lakhs*	Supplier	Date of Quotation	Validity	Installation Location
BE6M-M5-K9 Cisco Business Edition 7000M (M5) Appliance, Export Restr SW	1	7.11	Proactive Data Systems	July 21, 2023	6 months from the date of the offer submission	Manufacturing facility and registered office
CP-8851-K9 Cisco IP Phone 8851	30	6.93				
CP-3905 Cisco Unified SIP Phone	1	0.04				

Description	Quantity	₹ in lakhs*	Supplier	Date of Quotation	Validity	Installation Location
3905, Charcoal, Standard Handset						
A-FLEX-NUPL-E NU On-Premises Calling Enhanced	21	0.64				
A-FLEX-TEAMS-MSG Webex Messaging (1)	35	0.22				
A-FLEX-NUPL-A NU On-Premises Calling Access	21	0.33				
CON-ECMU-BE6KVIRX SWSS UPGRADES Cisco BE Embedded Virt. Basic 7x, BE6K	1	0.03				
CON-SNT-BE6MM5K9 SNTC-8X5XNBD Cisco Business Edition 6000M (M5)	1	0.15				
CON-SNT-CP8851K9 SNTC-8X5XNBD Cisco UC Phone 8851	30	0.28				
CON-SNT-CP3905 SNTC-8X5XNBD Cisco Unified SIP Phone 3905, Charcoal	1	0.0046				
Corel Draw Graphic Suite Enterprise License	2	1.69	Sushila Infotech	July 05, 2023	6 Months from the date of Quotation	Manufacturing facility and Registered office
MS Windows Server Std 2022 16C	1	0.79	Radiant Info Solutions Private Ltd.	July 21, 2023	6 Months from the date of Quotation	Manufacturing facility
Total		18.20				

**Excluding GST. GST payable on such machineries will be paid from our internal accruals. Certain quotations are subject to additional costs including freight, installation and commissioning costs, services, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

Notes:

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

- (e) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost.

5. *Repayment/ prepayment of certain borrowings availed by our Company*

Our Board in its meeting dated July 26, 2023 took note that an amount of ₹ 167.01 Lakhs is proposed to be utilised for repayment/ prepayment of certain borrowings availed by our Company from the Net Proceeds.

Our Company has entered into financial arrangements from time to time, with banks and financial institutions. The outstanding loan facilities entered into by our Company include borrowing in the form of Loan against Property. For further details, please refer “Financial Information of our Company” on page 139 of this Prospectus. Our Company propose to utilise an estimated amount of ₹ 167.01 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of borrowings availed by us.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs improve our debt-to-equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

(₹ in Lakhs)

Sr No	Name of lender	Nature of Borrowings	Rate of Interest %	Tenure	Amount Sanction	Outstanding as at March 31, 2023	Prepayment penalty (Exclusive GST)	Purpose
1.	Fedbank Financial Services Limited	Unsecured Business Term Loan	15.75%	Repayable in 36 months	30.15	30.15	4-6%	Working Capital
2.	ICICI Bank	Unsecured Business Term Loan	16.00%	Repayable in 36 months	40.00	40.00	4-6%	Working Capital
3.	HDFC Bank	Unsecured Business Term Loan	15.00%	Repayable in 48 months	30.17	29.71	4-6%	Working Capital
4.	IndusInd Bank (6036)	Unsecured Business Term Loan	16.00%	Repayable in 36 months	35.00	34.25	4-6%	Working Capital
5.	Axis Bank (965)	Unsecured Business Term Loan	1-year MCLR 8.8% p.a. + Spread 6.7% p.a.= 15.50% p.a.	Repayable in 36 months	30.00	28.53	4-6%	Working Capital
6.	Bajaj Finance Limited	Unsecured Business Term Loan	16.00%	Repayable in 36 months	28.06	28.06	4-6%	Working Capital

*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Company has obtained a certificate dated July 27, 2023 from the Statutory Auditor certifying that the borrowings have been utilised towards the purposes for which such borrowings were availed.

6. Funding working capital requirements

Our business is working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and financing from banks. As on March 31, 2023, the aggregate amount sanctioned by the banks to our Company under the fund-based cash credit facilities amounted to ₹ 472.48 Lakhs. For details of facilities availed by us, see chapter titled “Financial Indebtedness” beginning on page 187 of this Prospectus. We propose to utilise ₹ 405.58 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal Year 2024.

Existing Working Capital requirements:

The details of our Company’s working capital as at March 31, 2021, March 31, 2022 and March 31, 2023 derived from Restated Financial Statements, and source of funding of the same are provided in the table below:

(₹ In Lakhs)

Sr. No.	Particulars	Actual	Actual	Actual
		Fiscal 2021	Fiscal 2022	Fiscal 2023
I	Current Assets			
	Inventories	551.57	550.27	911.37
	Trade Receivables	221.69	263.26	258.52
	Cash and cash equivalents	27.26	20.47	20.03
	Short Term Loans and Advances	45.86	78.13	190.87
	Other Current Assets	12.57	-	-
	Total (A)	858.95	912.13	1,380.79
II	Current Liabilities			
	Trade payables	309.89	312.44	366.57
	Other Current Liabilities	40.06	52.61	82.02
	Short term provisions	6.28	12.54	32.87
	Total (B)	356.23	377.59	481.46
III	Total Working Capital Gap (A-B)	502.73	534.54	899.33
IV	Funding Pattern			
	Short Term Borrowings	543.23	446.43	472.47
	Internal Accruals	-	88.12	426.86

The working capital details as at March 31, 2021, March 31, 2022 and March 31, 2023 and source of funding has been certified by our statutory auditor, M/s Vinay Bhushan & Associates, Chartered Accountants pursuant to their certificate dated July 28, 2023.

Basis of estimation of long-term working capital requirement:

On the basis of our existing working capital requirements, our Board pursuant to its resolution dated July 26, 2023 has approved the estimated and projected working capital requirements for Fiscal 2024 as set forth below:

Sr. No.	Particulars	Projected
		Fiscal 2024
I	Current Assets	
	Inventories	1370.79
	Trade Receivables	449.82
	Cash and cash equivalents	20.47
	Short Term Loans and Advances	377.92
	Total (A)	2,219.00
II	Current Liabilities	
	Trade payables	529.00
	Other Current Liabilities	97.60
	Short Term Provisions	197.14
	Total (B)	823.74
III	Total Working Capital Gap (A-B)	1,395.26
IV	Funding Pattern	

Sr. No.	Particulars	Projected
		Fiscal 2024
	Short Term Borrowings	529.17
	Internal Accruals	460.52
	IPO Proceeds	405.58

The projected working capital details as at March 31, 2024 has been certified by our statutory auditor, M/s Vinay Bhushan & Associates, Chartered Accountants pursuant to their certificate dated July 28, 2023.

Assumptions for working capital projections made by our Company:

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand and upgrade our manufacturing capacities for existing products that we are in the process of developing and commercializing. We intend to increase our production capacity by way of installation of new plant and machineries at our existing manufacturing facility. We believe our investment in this plant and machineries will add on to our current installed capacity, thus, enabling us to cater to the growing demand from our customers and add new products in our existing product portfolio. This shall help us cater to expand our customer base and increase our revenue from operations. Our Company aims to expand and diversify our product portfolio by increasing its product base and introducing new range of product lines. We plan to continue expanding our manufacturing capabilities in order to capture future growth trends. We intend to explore opportunities to expand our operations by developing new products and services within our existing lines of business. Further expanding our service offerings will help us to build on existing diversification of our business. We believe that maintaining a variety in range of products in our business provides us with an opportunity to cater to diverse needs of different customer segment.

Our Company intends to increase the Customer attractions with multi products diversification. We intend to launch the following products such as Lingerie, Men Denim, Denim shorts, Women Dry Fit T shirts, Women Cotton & Hosiery T-shirts & Lowers, Saree shapewear Everyday, Active Pants (New Range) and Camisoles. We intend to explore opportunities to expand our operations by developing new products and services within our existing lines of business. Further expanding our service offerings will help us to build on existing diversification of our business. We believe that maintaining a variety in range of products in our business provides us with an opportunity to cater to diverse needs of different customer segment. To increase our production capacity, we shall require installation of new plant and machineries at our manufacturing facility and also intend to deploy part of our net proceeds in purchasing the same.

The table below sets forth the details of holding levels (in days) for Fiscal 2021, Fiscal 2022, Fiscal 2023 as well as projections for Fiscal 2024:

Particulars	Actual	Actual	Actual	Estimated
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Debtor Holding Days	56	36	26	31
Creditor Holding Days	207	87	88	90
Inventory Holding Days	368	153	220	233

The assumptions for working capital projections as at March 31, 2021, 2022, 2023, 2024 has been certified by our statutory auditor, M/s Vinay Bhushan & Associates, Chartered Accountants pursuant to their certificate dated July 28, 2023.

Justification:

Sr. No.	Particulars
Debtor days	The holding levels of trade receivables were 26 days in Fiscal 2023 and they are expected to increase at 31 days, as the company is planning to establish new range of products in the market, company will be required to offer enhanced credit period to the distributors. Also, in order to improvise the profit margins, management is planning to discontinue the cash discount schemes which at present is 3% of transaction value also which currently helps the company to improvise cash flows to meet financial obligations.
Creditor Payments days	With the company's expansion and higher production levels, there will be a need to increase purchases, resulting in a slight rise in trade payables. This increase in payables is necessary to accommodate the larger volume of purchases required to support the business growth. The Trade payables in Fiscal 2023 was 88 days and expecting to keep payables at 90 days.
Inventory Holding Days	Inventory includes raw material, Semi-finished goods and finished goods. The company has inventory days of 220 days in Fiscal 2023 and we are expecting our inventory day to increase at 233 days in Fiscal 2024. Since the company is planning to introduce new products or expanding product lines and to take the advantage of discounts or favorable pricing, company will be required to make bulk

Sr. No.	Particulars
Debtor days	The holding levels of trade receivables were 26 days in Fiscal 2023 and they are expected to increase at 31 days, as the company is planning to establish new range of products in the market, company will be required to offer enhanced credit period to the distributors. Also, in order to improve the profit margins, management is planning to discontinue the cash discount schemes which at present is 3% of transaction value also which currently helps the company to improve cash flows to meet financial obligations.
	purchase resulting into increase in in inventory.
Short Term Loans and Advances	Increase in Short term loans and Advances contains Advance to Suppliers. As the company is expanding their business and introducing new products in the market, they are planning to purchase raw materials by making advance payments to enhance cost efficiency of products.

7. General Corporate Purpose

Our management will have flexibility to deploy the balance Net Proceeds of the Issue towards general corporate purposes, to be deployed towards 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 repayment of liabilities (on demand) if any or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

We further confirm that in terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue

ESTIMATED ISSUE RELATED EXPENSES

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

Activity	Amount (₹ in Lakhs)	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead manager(s) fees including underwriting commission	64.40	50.31%	5.80%
Brokerage, selling commission and upload fees	0.20	0.16%	0.02%
Registrar to the Issue	1.50	1.17%	0.14%
Legal Advisors	2.50	1.95%	0.23%
Advertising and marketing expenses	39.20	30.63%	3.53%
Regulators including stock exchanges	4.00	3.13%	0.36%
Printing and distribution of offer stationary	1.50	1.17%	0.14%
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	14.70	11.48%	1.32%
Total	128.00	100.00%	11.53%

The fund deployed out of internal accruals up to August 23, 2023 is ₹ 10.64 Lakhs towards issue expenses vide certificate dated August 23, 2023 having UDIN: 23502632BGXNRT6758 received from M/s Vinay Bhushan & Associates, Chartered Accountants and the same will be recouped out of issue expenses.

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

- 1) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.
- 2) Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.

- 3) *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*
- 4) *The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*
- 5) *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

BRIDGE LOANS

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

MONITORING OF UTILIZATION OF FUNDS

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

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

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

INTERIM USE OF FUNDS

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

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER'S GROUP FROM THE IPO PROCEEDS

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

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the LM on the basis of an assessment of market demand for the Equity Shares issued through the fixed price method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹ 10/- each and the Issue Price is 18.5 times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 23, 184, 186 and 101 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

The Issue Price has been determined by our Company in consultation with the LM on the basis of an assessment of market demand for the Equity Shares issued through the fixed price method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is 18.5 times of the face value.

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QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for the issue price is:

- Customer base across geographies and industries
- E-retailing and online distribution network.
- Our Product Portfolio.
- Brand Equity.
- Customer Centric Business Model.
- Quality assurance.
- Experienced Promoters and management team.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled “Our Business” beginning on page 101 of this Prospectus.

QUANTITATIVE FACTORS

The information presented in this chapter is derived from company’s Restated Financial Statements for the financial year ended March 31 2023, 2022 and 2021 prepared in accordance with Indian GAAP. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 184 of this Prospectus.

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

1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”)

As per Restated Financial Statements – Post Bonus

Particulars	Basic & Diluted EPS (in ₹)	Weights
March 31, 2023	16.41	3
March 31, 2022	10.47	2
March 31, 2021	2.54	1
Weighted Average	12.12	

Notes:

- (1) Basic and Diluted EPS is computed in accordance with Accounting Standard 20, notified under the Companies (Accounting Standards) Rules, 2006 (as amended) read with the requirements of SEBI ICDR Regulations.
- (2) Basic and diluted EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders divided by the adjusted weighted average number equity shares outstanding during the year/period.
2. **Price Earnings Ratio (“P/E”) in relation to the Issue Price of ₹ 185 /- per share of ₹ 10/- each fully paid-up – Post Bonus.**

Particulars	P/E (number of times)
Based on Restated Financial Statements – Post Bonus	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	11.28
P/E ratio based on the Weighted Average Basic & Diluted EPS	15.27
Industry P/E Ratio	
Highest	78.85
Lowest	12.58
Average	40.55

3. **Return on Net worth (RoNW)**

As per Restated Financial Statements

Particulars	RoNW (%)	Weights
March 31, 2023	140.53%	3
March 31, 2022	(221.31) %	2
March 31, 2021	(16.69) %	1
Weighted Average	(6.29) %	

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

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

As per Restated Financial Statements – Post Bonus

Financial Year	NAV (₹)
March 31, 2023	11.67
March 31, 2022	(4.73)
March 31, 2021	(15.20)
Net Asset Value per Equity Share after the Issue at Issue Price	49.14
Issue Price*	185.00

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

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

Name of Company	CMP (₹)	Face Value (₹)	Basic EPS (₹)	PE Ratio (times)	RoNW (%)	NAV per Share (₹)
C P S Shapers Limited	185.00	10.00	16.41	11.28	140.53%	11.67
Peer Group						
Page Industries Limited	40,382.55	10.00	512.15	78.85	41.67%	1229.21
Lux Industries Limited	1478.15	2.00	48.80	30.29	10.03%	467.49
Dollar Industries Ltd	427.75	2.00	10.27	41.65	8.11%	126.54
K.P.R Mill Limited	731.20	1.00	18.57	39.38	21.36%	86.98
Arvind Limited	166.80	10.00	13.26	12.58	10.49%	126.06

Notes:

- (1) The figures for our company are based on Restated Financial Statements for the year ended March 31, 2023 after taking effect of the Bonus Shares allotted on June 30, 2023.

- (2) The figures (standalone) for Peer Group are based on the Annual Reports filed for the financial year ended March 31, 2023.
- (3) P/E Ratio of Peer Group has been computed based on the closing market price on August 22, 2023 as divided by the Basic EPS as on March 31, 2023.
- (4) CMP is the closing prices or the last traded price of respective scripts as on August 22, 2023.
- (5) The Issue Price determined by our Company and in consultation with the Lead Manager is justified by our Company on the basis of the above parameters.

6. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 22, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Prospectus. Further, the KPIs herein have been certified by M/s Vinay Bhushan & Associates, by their certificate dated July 25, 2023.

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 101 and 192 of this Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1 of this Prospectus.

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

a) Key Performance Indicators of our Company.

(₹ in Lakhs except percentages)

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Financial KPIs			
Revenue from Operations ⁽¹⁾	3,681.45	2,668.35	1,439.12
EBITDA ⁽²⁾	492.15	237.64	169.53
EBITDA Margin ⁽³⁾	13.37%	8.91%	11.78%
PAT	246.09	157.06	38.05
PAT Margin ⁽⁴⁾	6.68%	5.89%	2.64%

Notes: As certified by M/s Vinay Bhushan & Associates., Chartered Accountants through their certificate dated July 25, 2023

Explanation of KPIs:

- (1) Revenue from operations means the revenue from operations as appearing in the restated financial information
- (2) ‘EBITDA’ is calculated as Profit before tax + Depreciation + Interest Expenses
- (3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations.
- (4) ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

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

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a

measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

c) Comparison with Listed Industry Peers

As on March 31, 2023:

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	CPS Shapers Limited	Page Industries Limited	Lux Industries Limited	Dollar Industries Ltd	K.P.R Mill Limited	Arvind Limited
Revenue from Operations ⁽¹⁾	3,681.45	4,78,863.96	2,35,060.00	1,39,380.05	4,57,081.00	7,72,269.00
EBITDA ⁽²⁾	492.15	87,747.30	23,907	10,327.05	92,909.00	77,723.00
EBITDA Margin (%) ⁽³⁾	13.37%	18.32%	10.17%	7.41%	20.33%	10.06%
PAT ⁽⁴⁾	246.09	57,124.95	14,676.00	5,823.82	63,504.00	34,591.00
PAT Margin (%) ⁽⁵⁾	6.68%	11.93%	6.24%	4.18%	13.89%	4.48%

As on March 31, 2022:

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	CPS Shapers Limited	Page Industries Limited	Lux Industries Limited	Dollar Industries Ltd	K.P.R Mill Limited	Arvind Limited
Revenue from Operations ⁽¹⁾	2,668.35	3,88,646.47	2,26,057.00	135,032.14	3,94,869.00	745,957.00
EBITDA ⁽²⁾	237.64	80,644.07	49,074.00	22,323.87	106,853.00	49,208.00
EBITDA Margin (%) ⁽³⁾	8.91%	20.75%	21.71%	16.53%	27.06%	6.60%
PAT ⁽⁴⁾	157.06	53,653.11	34,139.00	14,587.18	73,080.00	5,930.00
PAT Margin (%) ⁽⁵⁾	5.89%	13.81%	15.10%	10.80%	18.51%	0.79%

As on March 31, 2021:

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	CPS Shapers Limited	Page Industries Limited	Lux Industries Limited	Dollar Industries Ltd	K.P.R Mill Limited	Arvind Limited
Revenue from Operations ⁽¹⁾	1,439.12	2,83,296.21	192,899.00	1,03,695.57	2,88,122.00	4,52,854.00
EBITDA ⁽²⁾	169.53	54,607.53	39,410.00	14,156.38	70,235.00	50,212.00
EBITDA Margin (%) ⁽³⁾	11.78%	19.28%	20.43%	13.65%	24.38%	11.09%
PAT ⁽⁴⁾	38.05	34,058.12	27,337.00	8,728.02	43,262.00	9,267.00
PAT Margin (%) ⁽⁵⁾	2.64%	12.02%	14.17%	8.42%	15.02%	2.05%

Notes:

- (1) Revenue from operation means revenue from sale of products and services.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses.
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- (4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- (5) Financial information for C P S Shapers Limited is derived from the Restated Financial Statements.
- (6) All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced from the annual reports as available of the respective company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 submitted to stock exchanges.
- (7) Listed peers are as identified by us on the basis of similar line of business with our Company, however not comparable with size of our Company.

7. Justification for Basis for Issue price

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

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue

capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

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

Date of Transfer	Name of transferee	Category	No of equity shares transferred	Face value (₹)	Transfer Price (₹)	Nature of Consideration	Total Consideration (₹ in lakhs)
March 15, 2023	Mr. Abhishek Kamal Kumar	Promoter and Managing Director	1,20,000	10/-	20/-	Transfer from Rajendra Kumar.	₹ 24.00
March 23, 2023	Ms. Bhawana Kumar	Promoter Group and Whole Time Director	100	10/-	20/-	Transfer from Amit Kaushik.	₹ 7.38
March 23, 2023	Ms. Bhawana Kumar	Promoter Group and Whole Time Director	36,900	10/-	20/-	Transfer from Kamlesh Kamal Kumar.	₹ 0.02
March 24, 2023	Mr. Abhishek Kamal Kumar	Promoter and Managing Director	80,000	10/-	20/-	Transfer from Dayal Hosiery Private Limited.	₹ 16.00
March 27, 2023	Mr. Abhishek Kamal Kumar	Promoter and Managing Director	50,000	10/-	20/-	Transfer from CP&S Orthotics Private Limited.	₹ 10.00
March 29, 2023	Mr. Abhav Kumar	Promoter Group and Non-executive Director	1,000	10/-	20/-	Transfer from Kamlesh Kamal Kumar.	₹ 0.20
March 29, 2023	Ms. Ruchi Kumar	Promoter Group	1,000	10/-	20/-	Transfer from Kamlesh Kamal Kumar.	₹ 0.20
Weighted average cost of acquisition (WACA) Secondary issuances (in ₹ per Equity Share)							₹ 20.00

*As certified by M/s Vinay Bhushan & Associates., Chartered Accountants, by way of their certificate dated July 24, 2023.

c) Since there is an eligible transaction of our Company reported in (b) above in accordance with paragraph (9)(K)(4)(b) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities, Selling Shareholders or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Prospectus has not been computed.

d) Weighted average cost of acquisition, Issue Price

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

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Issue Price (₹185.00/-)
Weighted average cost of acquisition of primary issuances	N.A	N.A
Weighted average cost of acquisition for secondary transactions	20.00	9.25

e) Explanation for Issue Price being 9.25 times of weighted average cost of acquisition of secondary issuance price of Equity Shares (set out in 7(d) above) along with our Company's key performance indicators and financial ratios for the financial year ended March 31, 2023, 2022 and 2021.

1. Our Company, C P S Shapers Limited is engaged in the business of manufacturing of Shapewear for Men and Women like V-Shaper, Saree Shapewear, Active Pants, ShapeX Denim, etc. We are popularly known and identified in apparel market by our brand name "Dermawear" with our motto "Shape up with Confidence" and "YDIS" ("Your Dress Is Shapewear"). We distribute our products both, by e-retail and offline model, and have developed a sustainable business model over the period.
2. We follow offline distribution model for sale of our products and have distributors spread across the country who in turn sell our products through various retailers. We also follow online sales model for supply of our products and our products are registered on various online platforms such as Amazon, Ajo, Flipkart, Myntra, Nykaa Fashion, Nykaa Retail, Snapdeal and through our own website, www.dermawear.co.in. For the Fiscals 2023, 2022 and 2021 our revenue from online sales was ₹ 1,272.19 Lakhs, ₹ 901.18 Lakhs and ₹ 612.22 Lakhs which contributed 34.56%, 33.77% and 42.54%, respectively of our revenue from operations and revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations.
3. To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand and upgrade our manufacturing capacities for existing products that we are in the process of developing and commercializing. We intend to increase our production capacity by way of installation of new plant and machineries at our existing manufacturing facility. We believe our investment in this plant and machineries will add on to our current installed capacity, thus, enabling us to cater to the growing demand from our customers and add new products in our existing product portfolio. The new plant and machineries to be installed are technological advanced and we intend to replace some of our plant and machineries with the new ones and partly install new plant and machinery at our manufacturing facility. We understand that the said installation and replacement shall allow us to be technologically advanced, allowing us to work under the same and approved power requirements and meet functional efficiencies. Relating to the relevant government approval, required for installation of new plant and machineries at our manufacturing facility, we understand that the same are already applied by our Company, for incremental increase in installed capacity, details of which have been mentioned in the chapter titled, "Government and Statutory Approvals" on page 211 of this Prospectus. This shall help us cater to expand our customer base and increase our revenue from operations. We plan to fund Capital Expenditure towards purchase of plant and machinery from the Net Proceeds of the issue. For details, also see "Objects of the Issue" on page 77. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

f) The Issue Price is 18.50 times of the face value of the equity shares

The face value of our share is ₹ 10/- per share and the Issue Price is of ₹ 185/- per share are 18.50 times of the face value. Our Company and in consultation with the Lead Manager believes that the Issue Price of ₹ 185/- per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "Risk Factors" beginning on page 23 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on page 184 of this Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
CPS Shapers Limited
(Formerly Known as CPS Shapers Private Limited)
201-204, 2nd Floor, Swamini Industrial Estate, No 3,
Opp Varun Industries, Nanal Nagar, Waliv, Vasai East,
Thane - 401208, Maharashtra, India.

Dear Sir/Ma'am,

Subject - Statement of possible tax benefits ("the statement") available to CPS Shapers Limited (Formerly known as CPS Shapers Private Limited) (hereinafter referred as "the Company") and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.

Reference - Initial Public Offer of Equity Shares by CPS Shapers Limited (Formerly known as CPS Shapers Private Limited).

We hereby confirm that the attached Annexure 1 and 2 (together "the Annexures"), prepared by the CPS Shapers Limited (Formerly known as CPS Shapers Private Limited) ("the Company"), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act 2023, Circulars and Notifications issued thereunder from time to time, as applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017 ("GST Act"), as amended by the Finance Act 2023, Circulars and Notifications issued from time to time, as applicable for the Financial Year 2023-24, presently in force in India (together, the "Tax Laws").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and/ or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the attached Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the management of the Company. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether:
 - (i) the Company or its shareholders will continue to obtain these benefits in future;
 - (ii) the conditions prescribed for availing the benefits have been/ would be met with; and
 - (iii) the Revenue Authorities/Courts will concur with the views expressed herein.
3. The contents of the attached Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. We do not give any assurance that the Revenue Authorities/ Courts will concur with the view expressed herein. Our views are solely based on existing provisions of law being force in India and implementation of such laws, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

for inclusion in the Prospectus/ Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

For M/s. Vinay Bhushan & Associates
Chartered Accountants
Firm's Reg No. 130529W

CA. Vinay Bhushan
Partner
Membership No. 502632

Place: Mumbai
Date: 25th July, 2023
UDIN: 23502632BGXNQX1586

ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Tax Laws.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Tax Laws.

Note:

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant Direct Tax Law benefits and does not cover any Indirect Tax Law benefits or benefit under any other law.

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

ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the GST Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the GST Act.

Note:

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant Indirect Tax Law benefits and does not cover any Direct Tax Law benefits or benefit under any other law.

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

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

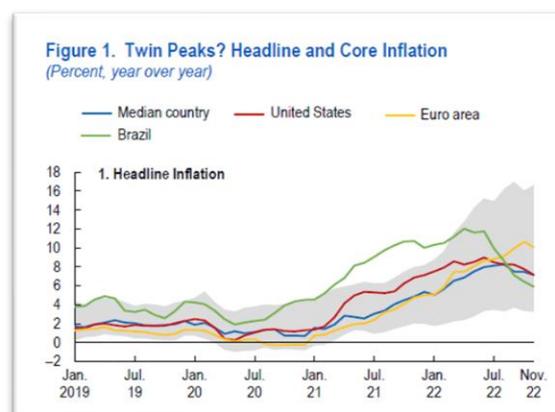
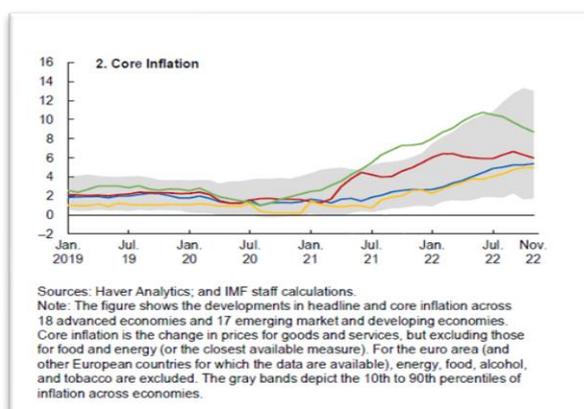
The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information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

GLOBAL ECONOMIC OVERVIEW

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.

Forces Shaping Outlook

The global fight against inflation, Russia’s war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023. Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labour markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia’s invasion of Ukraine.



Growth Bottoming Out

Global growth, estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024 (Table 1). Compared with the October forecast, the estimate for 2022 and the forecast for 2023 are both higher by about 0.2 percentage point, reflecting positive surprises and greater-than-expected resilience in numerous economies. Negative growth in global GDP or global GDP per capita—which often happens when there is a global recession—is not expected. Nevertheless, global growth projected for 2023 and 2024 is below the historical (2000–19) annual average of 3.8 percent.

Inflation Peaking

In advanced economies, annual average inflation is projected to decline from 7.3 percent in 2022 to 4.6 percent in 2023 and 2.6 percent in 2024—above target in several cases. In emerging market and developing economies, projected annual inflation declines from 9.9 percent in 2022 to 8.1 percent in 2023 and 5.5 percent in 2024, above the 4.9 percent pre-pandemic (2017–19) average. In low-income developing countries, inflation is projected to moderate from 14.2 percent in 2022 to 8.6 percent in 2024—still high, but close to the pre-pandemic average.

Ensuring financial stability: Depending on country circumstances, macroprudential tools can be used to tackle pockets of elevated financial sector vulnerabilities. Monitoring housing sector developments and conducting stress tests in economies where house prices have increased significantly over the past few years are warranted. In China, central government action to resolve the property crisis and reduce the risk of spillovers to financial stability and growth is a priority, including by strengthening temporary mechanisms to protect presale homebuyers from the risk of non-delivery and by restructuring troubled developers. Globally, financial sector regulations introduced after the global financial crisis have contributed to the resilience of banking sectors throughout the pandemic, but there is a need to address data and supervisory gaps in the less-regulated nonbank financial sector, where risks may have built up inconspicuously. Recent turmoil in the crypto space also highlights the urgent need to introduce common standards and reinforce oversight of crypto assets.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>)

INDIAN ECONOMY OVERVIEW

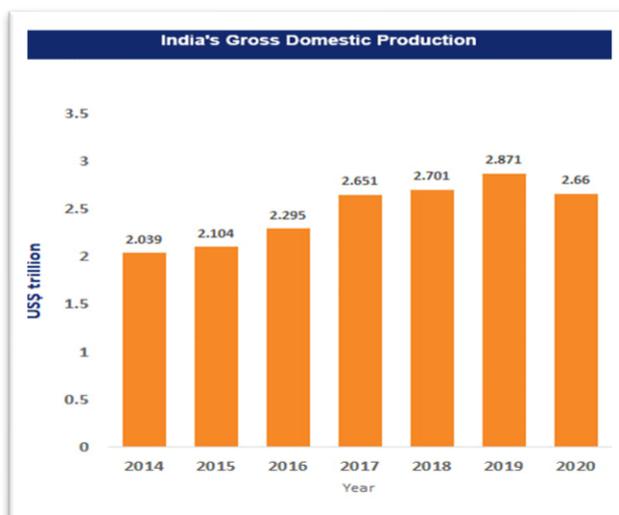
Introduction

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India’s recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Market Size

India’s nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India’s current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.



Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity. With the economic scenario improving on recovering from the COVID-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also launching growth-oriented policies to boost the economy. In view of this, the country witnessed many developments in the recent past, some of which are mentioned below.

1. As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
2. The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
3. Merchandise exports in September 2022 stood at US\$ 32.62 billion.
4. PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022.
5. In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$ 17.92 billion).
6. Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
7. In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.

Government Initiatives

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

- Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by the Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for the IT companies and start-ups in both the countries.

Road Ahead

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

GLOBAL MANUFACTURING INDUSTRY

Introduction

Manufacturing is the use of labor, goods and machines to produce goods for use or for sale. Manufacturing sector covers work performed in electronics industry, mechanical industry, energy industries, food and beverage industries, plastic industry, metalworking industries, transport and telecommunications industries, chemical or physical transformation of materials, substances, or components into new products. The process of assembling of components or parts of manufactured products also falls into the bracket of manufacturing unless the activity is appropriately put into construction. Construction on the other hand primarily covers works encompassing construction of buildings or assembling of infrastructure (for e.g., highways and utility systems). All those companies performing work in the preparation of sites for new construction and those involved in subdividing land for sale as building sites also are included in construction.

Manufacturing uses raw materials that are products of agriculture, bakery, fishing, forestry, mining and other products of manufacturing operations. Plants, factories or mills that use power-driven machines and materials-handling equipment, transform the raw materials into new finished products and components requiring further manufacturing.

The world manufacturing industries in a capitalist economy indulge in mass production and make them available as earning profits. Manufacturing in collectivist economy is guided by a state-run agency for making available the manufactured goods depending on the requirement. Manufacturing industry in a modern economy operates under regulations framed by the Government.

(Source: <https://www.marketresearchreports.com/industry-manufacturing>)

INDIAN MANUFACTURING INDUSTRY

Introduction

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

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

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

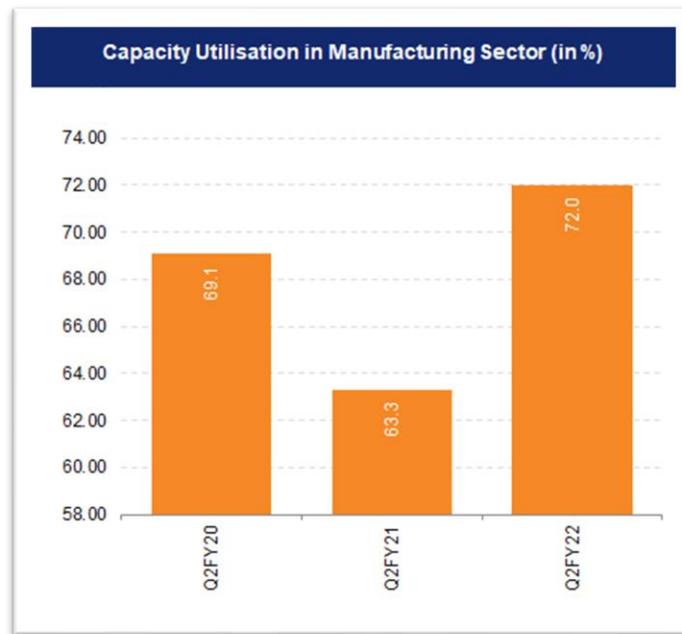
Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve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

Market Size

India's manufacturing exports for FY22 reached an unprecedented US\$ 418 billion, an overall growth of more than 40% compared to the US\$ 290 billion from the previous year. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross domestic product (GDP) at current prices stood at Rs. 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22. The

manufacturing GVA at current prices was estimated at US\$ 77.47 billion in the third quarter of FY22 and has contributed around 16.3% to the nominal GVA of during the past ten years. India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025. As per the survey conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI), capacity utilisation in India's manufacturing sector stood at 72.0% in the second quarter of FY22, indicating significant recovery in the sector.



Investment

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

- According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 58.77 billion in FY22.
- Between April 2000-September 2022:
 - The automobile sector received FDI inflows of US\$ 33,774 million.
 - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 20,759 million.
 - The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 20,104 million.
 - The Food Processing Industries received FDI inflows worth US\$ 11,514 million.
- The combined index of eight core industries stood at 152.2 in December 2022 against 139.4 in November 2022.
- India's Index of Industrial Production (IIP) for November 2022 stood at 137.1 against 129.3 for October 2022.

GOVERNMENT INITIATIVES

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

In the Union Budget 2023-24:

- Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023 to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
- As per the Union Budget 2023 – 23, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
- The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 million in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement ‘Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}’ has been introduced in Defence Procurement Procedure (DPP)-2016.
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.
- India outlines a plan in August 2021 to reach its goal of US\$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US\$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US\$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US\$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.

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

GLOBAL TEXTILE INDUSTRY

The global **textile market size** was valued at **USD 1,695.13 billion in 2022** and is anticipated to grow at a compound annual growth rate (CAGR) of 7.6% in terms of revenue from 2023 to 2030. The ever-increasing apparel demand from the fashion industry, coupled with the meteoric growth of e-commerce platforms, is expected to drive market growth over the forecast period. The textile industry works on three major principles, namely the design, production, and distribution of different flexible materials such as yarn and clothing. A wide array of processes such as knitting, crocheting, weaving, and others are largely used to manufacture a wide range of finished and semi-finished goods in bedding, clothing, apparel, medical, and other accessories.

The U.S. is anticipated to be the largest market in the North American region for textiles. It is one of the largest producers, raw cotton exporters, and top raw textile importers. Fashion is the largest application segment in the region, owing to the fast-changing fashionable trends and ease of adoption of the same due to the rapidly-emerging online fast fashion companies.

There has been an increasing trend in the use of smart textiles in the market that use optical fibers, metals, and various conductive polymers to interact with the environment. These help in detecting and reacting to various physical stimuli such as mechanical, thermal, or chemical & electric sources. This is expected to propel the growth of the technical application segment in the market for textiles during the forecast period.

The rapidly growing consumer preference towards sustainable products is forcing major textile companies to focus on restructuring their business and investing in manufacturing practices that target sustainable products. For instance, DuPont's plant-based faux fur for performance fashion apparel and Eastman's usage of discarded carpets in new materials is expected to open several major industry avenues over the forecast period.

Raw materials Insights

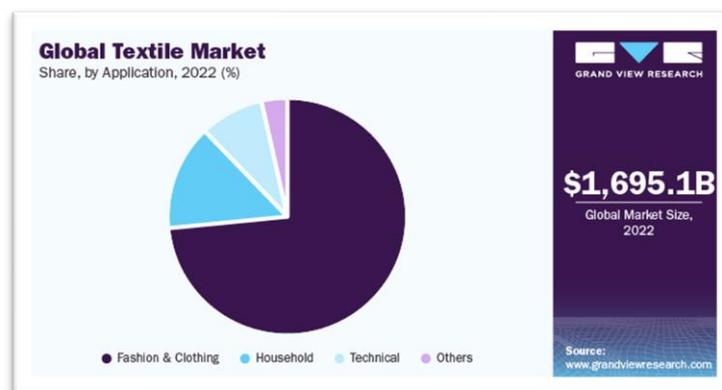
The cotton segment led the market and accounted for 38.9% of the overall revenue share in 2022. Cotton is the world's most important natural fiber, which can be attributed to its superior properties such as high strength, absorption, and color retention. China, India, and the U.S. are the major producers of cotton and cotton-based products in the world.

Product Insights

Polyester is expected to witness a growth rate of 7.4% in terms of revenue from 2023 to 2030, which can be attributed to its beneficial properties such as high strength, chemical & wrinkle resistance, and quick drying. It is used in households as cushioning & insulating material in pillows, as well as in industries for making carpets, air filters, coated fabrics, and other products.

Application Insights

The fashion segment dominated the market with more than 72.4% of the global revenue share in 2022, owing to the increasing consumer spending on clothing and apparel. In addition, high consumer requirements for crease-free suiting & shirting fabrics, as well as quality dyed & printed fabrics across the globe, are likely to drive the global market demand for textiles over the forecast period.



An increase in demand for formal & casual wear and other fashionable clothing among all age groups in the global population is a major driver for the textiles market growth. Moreover, increasing population and urbanization in emerging economies such as India, Bangladesh, Vietnam, Brazil, and others are likely to propel the demand for clothing and apparel, thereby positively contributing to market advancement.

Regional Insights

The Asia Pacific region dominated the market with a revenue share of 53.41% in 2022, owing to the increasing sales volume of clothing and apparel goods. The increasing population is expected to result in further strong growth of the region, with the highest CAGR of 9.7% from 2023 to 2030. In addition, the presence of a high number of customers on e-commerce platforms buying clothing and related accessories in developing economies is further driving the growth of the overall textiles market.



Increased penetration of organized retail, favorable demographics, rising income level, and favorable government policies are expected to drive the demand for textiles, especially in countries such as India, Bangladesh, Pakistan, and others. For instance, in India, 100 percent foreign direct investment (FDI) is allowed in textiles, which is expected to propel regional market growth over the forecast period.

Key Companies & Market Share Insights

The market is fragmented due to the presence of several small- and medium-sized manufacturers, especially in countries such as China and India. Moreover, the easy availability of low-cost labor, coupled with strengthening government support to establish the business units of various major players in these countries, is expected to bring healthy growth to the market. Some of the prominent players in the global textile market include:

- BSL Limited
- INVISTA S.R.L.
- Lu Thai Textile Co., Ltd.
- Paramount Textile Limited
- Changshan Textile Co., Ltd

(Source: <https://www.grandviewresearch.com/industry-analysis/textile-market>)

GLOBAL TEXTILE INDUSTRY

INTRODUCTION

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

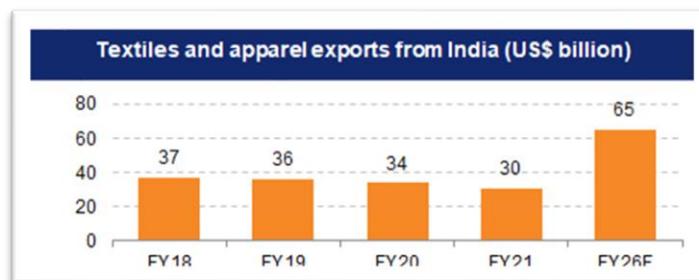
The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison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



MARKET SIZE

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. In FY23, exports of readymade garments (RMG) cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.



Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$138 billion to US\$195 billion by 2025.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. During April-October in FY23, the total exports of textiles stood at US\$ 21.15 billion. India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

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

INVESTMENT AND KEY DEVELOPMENT

The industry (including dyed and printed) attracted foreign direct investment (FDI) worth US\$ 4.067 billion from April 2000-December 2022. The textiles sector has witnessed a spurt in investment during the last five years.

- In April 2022, Indo Count Industries bagged the home textile business of GHCL for US\$ 74.14 million.
- In March 2022, Reliance Retail Ventures Limited (RRVL) acquired a controlling share of Purple Panda Fashions for US\$ 115.8 million.

- Sutlej Textiles plans to set up a green field project for 89,184 spindles comprising of cotton mélange yarn and PC grey yarn along with dye house in Jammu & Kashmir with an estimated cost of US\$ 111.41 million (Rs. 914 crore).
- Vardhman has established Vardhman ReNova, a cotton recycling facility with a six TPD production capacity. By establishing two new facilities in Madhya Pradesh, the company has also increased its capacity to produce yarn. With top-notch technology, the expansion includes over 100,000 spindles in total. This will result in a 75 TPD increase in yarn production capacity.
- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US\$ 1.3 billion (Rs. 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US\$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US\$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.
- Arvind Limited, the largest textile to technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specialises in rejuvenating textile waste into virgin grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.

GOVERNMENT INITIATIVES

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

Other initiatives taken by the Government of India are:

- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry.
- In December 2022, a total of US\$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.
- In December 2022, a total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.
- The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government.
- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.

ROAD AHEAD

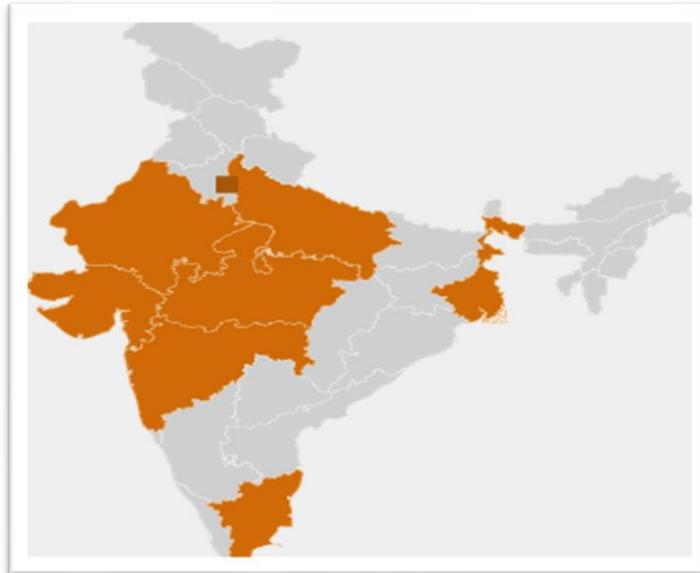
The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment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



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

Major Textiles hubs in India

- NCR
- Gujarat
- Maharashtra
- Uttar Pradesh
- West Bengal
- Tamil Nadu
- Madhya Pradesh
- Rajasthan



Industry Contacts

- [The Textile Association \(India\) \(TAI\)](#)
- [Northern India Textile Mills' Association \(NITMA\)](#)
- [The Cotton Textiles Export Promotion Council \(TEXPROCIL\)](#)
- [The South India Textile Research Association \(SITRA\)](#)

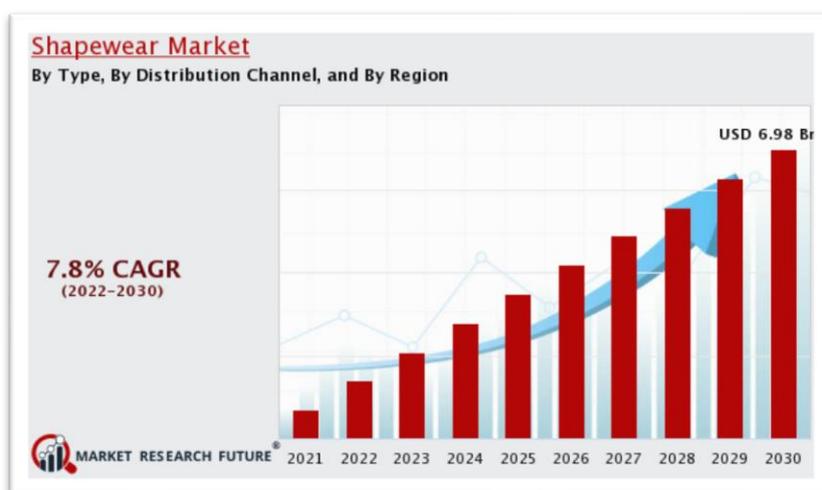
(Source: <https://www.ibef.org/industry/textiles>)

GLOBAL SHAPEWEAR INDUSTRY

Shapewear Market Overview

The shapewear market is expected to gain a market value of USD 6.95 billion by 2030 at a CAGR of 7.7% from 2022-2030.

Shapewear is an undergarment made of elastic material that is both flexible and rigid, designed to provide support and smooth any bulges. Shapewear fabric is created in a comfortable and unobtrusive way while looking seamless under clothing. Shapewear is perfect for occasional use as it can pull in the stomach and improve posture. Shapewear is commonly used by women to make them slimmer and was originally worn as an undergarment. The primary factor influencing the market growth is increasing commercial advertisements, movies, and entertainment channels, due to which branded products are considered higher quality. Companies are getting better at connecting with customers by investing in various strategies like marketing campaigns and celebrity endorsements. In addition, Research and development teams from various companies have successfully created 'celebrity-inspired' clothing and other products. The factors affecting the demand for waist trainers are increasing, leading to increased sales worldwide. Moreover, the desire to be attractive and the common habit of taking and sharing selfies is increasing the demand for products that reduce tummy flatter, contributing to a growth in the shapewear market worldwide. However, with the shapewear market taking off, cheap quality fabrics are a major restraining factor hindering its growth. One of the biggest concerns among women is that shapewear will become too tight, which can be uncomfortable and cumbersome. According to an INVISTA survey, 93% of women want shaping and contouring body shapers. Most women gain weight during menopause or pregnancy, which means that a product like a body shaper would be highly desired at this stage. 46% of the women in a survey said they bought body shapers to improve their waistline and around 20% used them to enhance their entire appearance.



COVID-19 Analysis

The COVID-19 pandemic has reversed the shapewear market trends due to the closure of shopping malls and stores. Many events and gatherings were either delayed or canceled for fear of the spread of the pandemic, decreasing the demand for shapewear during the pandemic.

As a result of the novel coronavirus pandemic, we saw a new trend in fashion. People were embracing minimalism and dressing for themselves. But now that the world is returning to normalcy after the pandemic, the demand for shapewear, intimates, and loungewear is likely to increase by the end of the forecast period.

Shapewear Market Dynamics

Drivers

As per research presented at the United Conference on Trade and Development (UNCTAD), online shopping of fashion accessories has experienced an increase of 2% since the initial cases of the pandemic have been reported. Also, social media and society are setting unrealistic beauty standards which the consumers are blindly following. With the need to maintain a certain and trending body type, the shapewear market is expected to grow during the forecast period.

Restraints

Increasing awareness campaigns and body positivity and acceptance are presenting major restraints for the Shapewear Market on the path of its growth. Also, due to the pandemic, people are preferring staying at home and hence, the demand is declining during the forecast period.

Technology Analysis

Shapewear has been enjoying the good limelight by now. The past decade saw the emergence of shapewear but due to wide-scale innovations in the current decade, the Shapewear Market and products have a promising future. For instance, the new moms tend to demand this on a large scale as the journey of weight loss is a slow process. It is a known fact that shapewear can help in covering approximately 4 inches and can offer ultimate support and comfort. So much so that people can wear shapewear for their normal activities like visiting the gym. An increased shapewear demand is pushing the fashion companies to increase their investment to develop shapewear assortments and also, the new companies are also targeting the production of branded products. Also, shapewear is doing transformation to target the concerns of people wanting these products for body parts like under the breast, thighs, stomach, and lower back amongst others for the target audience across the globe during the forecast period.

The Shapewear Market analysis predicts good growth for the market during the forecast period that ends in 2023. The market segmentation are as follows:

Product Type

Based on the vibrant consumer demands, the Shapewear Market deals in various product types like body briefs, corsets, body shapers, control camisoles, long legs, and seamless products amongst others.

Distribution Channel

The market players opt for a wider variety of customers and to cater to their demand and maintain their comfort and convenience, they make these products available and accessible through both store and non-store means. The ones who do not have satisfaction without trying the products can opt for the store purchase. However, the customers who have a thing for comfort and wish to do easy and convenient online shopping, can opt for a similar mode of purchase, and help the market grow by the end of the forecast period.

Global Regions

Due to the growing demand for a variety of shapewear products, the market aims to expand its operations across various global locations. Currently, the Shapewear Market is functional in major regions namely North America, the APAC region, Europe, alongside the rest of the world.

Regional Analysis

Based on the regional bifurcation of the global Shapewear Market and the trends prevailing, North American is likely to emerge as the largest market for shapewear products. The main reason behind this is the demand for the products is rising many folds and also, the market players are investing largely in product diversification. North America is home to companies like Wacoal, SKIMS, and SPANX, which are investing in conducting awareness programs that will help in spreading correct information related to these shapewear items. Also, there are innovative designs and an excellent quality of fabric that is pushing for global growth.

Competitive Landscape

The major players of the shapewear market are as follows:

- Victoria's Secret
- Zivame
- Triumph International
- SKIMS
- Spanx
- Hanesbrands
- Jockey International
- Miracle suit

Recent Developments

- In June 2021, Spanx announced the release of its new Spring Collection. This new product line is non shaping, made with UPF 50+, protects from the sun, and is resistant to chlorine and soft water.
- In August 2020, Spanx announced its activewear line Spanx Active exclusively at Selfridges in the United Kingdom.
- In September 2019, Kim Kardashian launched a shapewear line – SKIMS- as a range of body shaper products.

(Source: <https://www.marketresearchfuture.com/reports/shapewear-market-7273>)

INDIAN SHAPEWEAR INDUSTRY

During the early times, the fashion industry in India began to evolve rapidly with the introduction of Western fashion and clothing styles. This period saw the introduction of new materials such as Lycra, which enabled the creation of new styles of shapewear and stockings. In the 1990s, shapewear began to gain popularity in India as more women began to experiment with different types of clothing styles. At the time, shapewear was mostly used to provide support and smooth out any lumps or bumps under tight-fitting clothing. In the early 2000s, with the rise of Bollywood and the influence of Indian celebrities, shapewear and stockings began to gain mainstream popularity. Many Bollywood actresses were seen wearing shapewear under their outfits, and this helped to promote the use of shapewear among the general public. Shapewear and stockings are widely accepted as essential items in many women's wardrobes in India. They are available in a wide range of styles and sizes to suit different body types and clothing styles, and are widely available in both physical stores and online retailers.

According to the research report “India Shapewear and Stocking Market Overview, 2028,” published by Bonafide Research, the India Shapewear and Stocking market is expected to grow at more than 9% CAGR from 2023 to 2028. The India market is segmented based on the base of the shapewear and stockings. Presently, stockings have the highest market share in the country. One of the main reasons is that they are versatile and can be worn with a wide variety of outfits. Stockings can be paired with traditional Indian attire such as sarees, lehengas, and salwar kameez, as well as with western-style dresses and skirts. In the colder months, stockings give another layer of warmth, which is useful in some parts of India where the temperature can drop dramatically. Also, they provide some modesty and coverage, which are significant in conventional Indian culture. Shapewear and stockings have grown in popularity in India as fashion trends continue to change, especially among the younger generations who are more fashion-conscious. More people have disposable income to spend on fashion and lifestyle items like shapewear and stockings as the Indian economy expands. Shapewear and stockings are very common in India due to the impact of Western fashion. There is a rising need for goods like shapewear and stockings that can aid in achieving a slim and attractive physique as more people adopt Western dress trends.

In India, certain government rules and regulations are for the shapewear and stocking market, like the Bureau of Indian Standards (BIS), the national standards body responsible for developing and maintaining standards for various products, including textiles. Shapewear and stockings must adhere to BIS standards to ensure quality and safety. The Consumer Protection Act aims to protect consumers from unfair trade practises and unsafe products. Manufacturers and sellers of shapewear and stockings must comply with the provisions of this act to ensure that their products are safe and of high quality. The import and export of shapewear and stockings are regulated by customs regulations in India. Manufacturers and importers must comply with customs regulations to ensure that their products are legally imported into the country. The sale of shapewear and stockings in India is subject to various taxes, including GST and customs duty. Manufacturers and sellers must comply with taxation regulations to avoid penalties.

In India, there are many start-ups for shapewear and stockings like Clovia, Zivame, Snazzyway, Shyaway, and Airwear. Based on the distribution channel, there are specialty stores, hypermarkets, supermarkets, and online retailers. Currently, specialty stores dominate the market, including Triumph, La Senza, Jockey, Marks & Spencer, Pretty Secrets, and Hunkemoller. There are many local manufacturers that manufacture the stockings and the shapewear, including Lux Industries, Dollar Industry, Rupa & Company, Bodycare Creations, and Oswal Wollen Mills. In India, based on the material, there are polyester, nylon, cotton, and others. People prefer the polyester material more in the shapewear and the stockings. Since it is a lightweight, stretchy, and long-lasting fabric, polyester another benefit of polyester is that it wicks sweat from the body, keeping the wearer dry and comfortable. Also, it is practical for daily usage because it is simple to wash and dries rapidly. In India, women wear stockings and shapewear more than men. To look more attractive and toned below their clothing is one of the key motivations. Shapewear has the purpose of eliminating lumps and bumps and

bringing about a more streamlined appearance. When wearing form-fitting apparel, such as sarees, lehengas, and salwar kameez, this is especially crucial.

(Source: <https://www.marketresearch.com/Bonafide-Research-Marketing-Pvt-Ltd-v4230/India-ShapewearOverview-33903746/>)

OUR BUSINESS

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 section titled “Risk Factors” and chapters titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 23, 184 and 186 respectively, of this Prospectus.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for the Financial Years ended on March 31, 2023, 2022 and 2021 included in this Prospectus. For further information, see “Restated Financial Statements” beginning on page 184 of this Prospectus.

OVERVIEW

Our Company, C P S Shapers Limited is engaged in the business of manufacturing of Shapewear for Men and Women like V-Shaper, Saree Shapewear, Active Pants, ShapeX Denim, etc.

We are popularly known and identified in apparel market by our brand name “**Dermawear**” with our motto “*Shape up with Confidence*” and “**YDIS**” (“*Your Dress Is Shapewear*”). We distribute our products both, by e-retail and offline model, and have developed a sustainable business model over the period.

Our compression garments fabric is specially designed from skin friendly blend of cotton, polyester and spandex which are double and triple layered for graduated compression effect at body critical areas like abdomen, hips and thighs. We aspire to keep improving our services and our products, backed with innovative new technologies to provide a great experience to our customers.

Our product mix has evolved over the past several years as we have entered into new product categories. Our product portfolio currently includes Saree Shapewear, Mini Shaper, Sports Bra, All Mini Corset, Tummy Reducer, All Zenrik, Slimmer, Active Pants, Denim, Mask and other Shapewears. We believe our comprehensive range of products enables us to capitalize on growth opportunities and increasing demand of our industry. We trust that maintaining a variety of products in our business provides us with an opportunity to cater to diverse needs of different customer segment.

Our products are sold both, domestically and internationally. We have PAN India presence with our distributors network in 28 states and 8 Union territories for our domestic market (based on sales made for the financial year ended March 31, 2023, 2022 and 2021). We have also started our export division and are supplying products to 5 countries namely Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023. For the Fiscals 2023, 2022 and 2021 our revenue from domestic sales was ₹ 3,594.63 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively which contributed 97.64 %, 100.00 %, and 100.00 % respectively of our revenue from operations.

We follow offline distribution model for sale of our products and have distributors spread across the country who in turn sell our products through various retailers. We also follow online sales model for supply of our products and our products are registered on various online platforms such as Amazon, Ajio, Flipkart, Myntra, Nykaa Fashion, Nykaa Retail, Snapdeal and through our own website, www.dermawear.co.in. For the Fiscals 2023, 2022 and 2021 our revenue from online sales was ₹ 1,272.19 Lakhs, ₹ 901.18 Lakhs and ₹ 612.22 Lakhs which contributed 34.56%, 33.77% and 42.54%, respectively of our revenue from operations and revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations.

To meet our PAN India presence and also to meet timely supply of our products through online sales, we have one manufacturing facility situated at Meerut, two warehouses situated at Vasai, Maharashtra and Tiruppur, Tamil Nadu, respectively and one branch office situated at Tiruppur, Tamil Nadu, and one virtual office situated at Bengaluru. We also follow online sales model and sell our products through Amazon and to ensure timely delivery of our products to customers across the country, we have received No objection from Amazon for using the additional place of business situated at different locations, respectively at Bengaluru (Two), Thane (Two), Lucknow, Coimbatore and Thiruvallur, Tamil Nadu

Our Company has a manufacturing facility and warehouses situated at:

Unit Name	Address
Manufacturing Unit	Plot No. 30, 31, New Mayur Vihar, Near Raj Vansh Vihar, Garh Road, Meerut – 250 005, Uttar Pradesh, India.
Registered Office	Gala 201 - 204, 2 nd Floor, Swamini industrial estate-III, Survey No. 96, Hissa no. 9/1 and 10/2,

Unit Name	Address
and Warehouse	Village Waliv, Vasai, Palghar - 401208, Maharashtra, India.
Warehouse and branch office	No. 1/206-J1, Naranapuram Post, Amaravathi Nagar, Arumuthampalayam, Tiruppur, Tamil Nadu-641664

For further details, kindly refer to the section titled; “Our Properties” mentioned below.

Apart from own manufacturing of products, Our Company also outsources manufacturing of some of our products such as innerwear products, T shirts and Saree shapewear and has also entered into Outsourcing Agreements dated March 01, 2023 for Garment manufacturing, entered into by and between our Company and Yamuna Tex, a Tamilnadu Corporation with principal place of business situated at 2/726-A, Senthoran Tower, 1st Floor, Vaikkalmedu, Kallagandu, Tiruppur and our Company and Senthur Tex, a Tamilnadu Corporation with principal place of business situated at 1/260, J-2, Amaravathi Nagar, Arumuthampalayam, Naranapuram post, Tirupur. By way of these agreements, our Company has outsourced the manufacturing of our innerwear products, T shirts and Saree shapewear in accordance with the specifications and requirements of our Company. The products manufactured through this outsourcing process are delivered at our warehouse situated at Tiruppur for further dispatch at the customers’ location. The agreements shall commence from March 01, 2023 and shall continue till February 28, 2026.

The principal raw materials required for our manufacturing process includes fabric, elastic, zips, elastic adjuster, buckles, hooks, threads cones, fusing films, perlon tape, mobilon tape, plastic boning, stickers, round bra pad, self-adhesive film, and sliders etc. Our Company maintains a base of reliable material suppliers who consistently provide materials of appropriate dimensions as per our requirements. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw materials are majorly procured in the domestic market from Delhi, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, Rajasthan and in the international market we procure our raw materials from China.

Our manufacturing facility is well equipped with required facilities including machinery, other handling equipment’s to facilitate smooth manufacturing process and easy logistics. We endeavour to maintain safety in our premises by adhering to key safety norms, established through our internal health and safety manual, accompanied by regular safety meetings.

Our Company is promoted by Mr. Abhishek Kamal Kumar and Mr. Rajendra Kumar. Our Promoters manage and control the major affairs of our business operations with their considerable experience in our Industry. We believe our success is the result of sustained efforts over the years in key aspects of our business, such as product portfolio, process improvements and increased scale of operations. For more details, please see the chapter titled, “Our Management” and “Our Promoter and Promoter Group” on page 162 and 177 of this Prospectus.

Our product range is growing continually over the past several years as we have entered into new product categories. We are focused at consistently expanding our product portfolio by developing new designs. We constantly engage with our customers through marketing via personal interactions with them. Our sales team works closely with our customers to obtain their insights and feedback about the upcoming trends in the industry which enables us to develop and improve our products to fulfil the requirements of the market.

We sell our products through Distribution channel in PAN India basis and we have Distributors all over the India who further reach to Retailors in all over India and for e-retailing our products, we have developed our own website www.dermawear.co.in and also have tie-ups with major e-commerce players. E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility and made us a known name in the market. With the passion of our promoters, dedication of our team, development of our brand, customer loyalty, growing trend in e-commerce and continued government support we aim to expand our operations on PAN India basis and become a popular brand among the masses.

For the Financial Years ended on March 31, 2023, 2022 and 2021, our revenue from operations was ₹ 3,681.45 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively. Our EBITDA (earnings before interest, depreciation and tax excluding other income) for the financial year ended March 31, 2023, 2022 and 2021 was ₹ 492.15 Lakhs, ₹ 237.64 Lakhs and ₹ 169.53 Lakhs, respectively, while our profit after tax for the financial year ended March 31, 2023, 2022 and 2021 was ₹ 246.09 Lakhs, ₹ 157.06 Lakhs and ₹ 38.05 Lakhs, respectively.

Key Performance Indicators of our Company.

(Rs. in Lakhs except percentages)

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Financial KPIs			
Revenue from Operations ⁽¹⁾	3,681.45	2,668.35	1,439.12
EBITDA ⁽²⁾	492.15	237.64	169.53

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Financial KPIs			
EBITDA Margin ⁽³⁾	13.37%	8.91%	11.78%
PAT	246.09	157.06	38.05
PAT Margin ⁽⁴⁾	6.68%	5.89%	2.64%

Notes: As certified by M/s Vinay Bhushan & Associates., Chartered Accountants through their certificate dated July 25, 2023

Explanation of KPIs:

- (1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
- (2) 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Expenses.
- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

OUR STRENGTHS

1. Customer base across geographies

Our Company's brand Dermawear has a customer base across Indian and International markets. We have PAN India presence with distributors network spread across the country with presence in 28 states and 8 Union territories based on sales made for the financial year ended March 31, 2023, 2022 and 2021. We have also started our export division and are supplying products to 5 countries namely Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023. For the Fiscals 2023, 2022 and 2021 our revenue from domestic sales was ₹ 3,594.63 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively which contributed 97.64 %, 100.00 %, and 100.00 % respectively of our revenue from operations.

2. E-retailing and online distribution network.

We also have an online network for supply of our products. Our products are registered on various online platforms such as Amazon, Ajo, Flipkart, Myntra, Nykaa Fashion, Nykaa Retail, Snapdeal and through our own website, www.dermawear.co.in For the Fiscals 2023, 2022 and 2021 our revenue from online sales was ₹ 1,272.19 Lakhs, ₹ 901.18 Lakhs and ₹ 612.22 Lakhs which contributed 34.56%, 33.77% and 42.54%, respectively of our revenue from operations and revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations. Such distribution model helps us achieve competitive advantages such as wider reach to consumers, reduced overheads with lower logistics costs, elimination of dealer margins, increased brand recognition, etc. Further increase in e-commerce activities and growing internet penetration in country shall enhance our business prospects.

3. Our Product Portfolio.

Our product range has gradually increased over the past several years. New product categories have been introduced. Today our product portfolio includes Saree Shapewear, Mini Shaper, Sports Bra, All Mini Corset, Tummy Reducer, All Zenrik, Slimmer, Active Pants, Denim, Mask and Other Shapewears. We believe our comprehensive range of products enables ourselves to capitalize on growth opportunities and demand in our industry. We trust that maintaining a variety of products in our business provides us with an opportunity to cater to diverse needs of different customer segment. Our products undergo quality check at various levels of production to ensure that any quality defects or product errors are rectified on real time basis. We insulate ourselves from these changes by keeping pace with changing fashion trends and introducing new and innovative designs and products.

4. Brand Equity.

Our Company's brand viz. **"Dermawear"** and **"YDIS"** is well known in its respective product categories. Our brands are well received by our customers. Our qualitative and customer demand satisfying products help us to achieve brand recall among our consumers which strengthens our brand equity. With the passion of our promoters, dedication of our team, development of products, customer loyalty, growing trend in e-commerce and continued government support we aim to expand our operations in international markets and become a popular brand among the masses.

5. Customer Centric Business Model.

Our company focuses on customer first. Everything flows from customer understanding and needs. Our products are designed keeping customers in mind with focus on customer satisfaction and feedback. We trust that maintaining a variety of products in our business provides us with an opportunity to cater to diverse needs of different customer segment. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. Our Company has believed in assessing the changing consumer preferences from time to time and redesigning/reshaping our products accordingly by continuously exploring new designs, styles, etc.

6. *Quality assurance.*

We believe that we are a quality focused company. We are committed to maintain quality at all steps from procurement of raw materials till dispatch. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices. Before commencement of the manufacturing process, the raw materials purchased by our Company have to undergo a quality check, to ensure that they are of relevant quality and match the standards as specified. The finished products are tested by our in-house quality team to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

7. *Experienced Promoters and management team.*

We are led by qualified and experienced Board of Directors, Key Managerial Personnel and Senior Management, who we believe have extensive knowledge and understanding of our Industry and have the expertise and vision to scale up our business.

Our Promoters, Mr. Abhishek Kamal Kumar and Mr Rajendra Kumar, has over more than 15 years of experience in the field of Manufacturing of Inner shape wear Industry. For details, relating to the experience of our management, please see the chapters titled, “*Our Management*” and “*Our Promoters and Promoter Group*” on page 162 and 177 of this Prospectus. We believe that our senior management team has helped us in successfully implementing our development and operating strategies over the years. It is through the constant efforts and experience of our management team that we have been able to build a sustainable business model. We also have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources. We believe that owing to the understanding of the industry trends, demands and market changes of our senior management team, we have been able to adapt and diversify our operating capabilities and take advantage of market opportunities since the incorporation of the Company.

Apart from the members on our Board, we believe that the knowledge and experience of our senior and middle level management team members in our industry provides us with a significant competitive advantage as we seek to grow our business.

OUR STRATEGIES

1. *Expansion and upgradation of our manufacturing facility*

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand and upgrade our manufacturing capacities for existing products that we are in the process of developing and commercializing. We intend to increase our production capacity by way of installation of new plant and machineries at our existing manufacturing facility. We believe our investment in this plant and machineries will add on to our current installed capacity, thus, enabling us to cater to the growing demand from our customers and add new products in our existing product portfolio. The new plant and machineries to be installed are technological advanced and we intend to replace some of our plant and machineries with the new ones and partly install new plant and machinery at our manufacturing facility. We understand that the said installation and replacement shall allow us to be technologically advanced, allowing us to work under the same and approved power requirements and meet functional efficiencies. Relating to the relevant government approval, required for installation of new plant and machineries at our manufacturing facility, we understand that the same are already applied by our Company, for incremental increase in installed capacity, details of which have been mentioned in the chapter titled, “*Government and Statutory Approvals*” on page 211 of this Prospectus. This shall help us cater to expand our customer base and increase our revenue from operations. We plan to fund Capital Expenditure towards purchase of plant and machinery from the Net Proceeds of the issue. For details, also see “*Objects of the Issue*” on page 77. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

2. *Enhancing our Brand Image.*

We would continue to associate ourselves with quality customers and supply products to their utmost satisfaction. We are highly conscious about our brand image and intend to have our brand building exercise by providing quality products and

services to the satisfaction of the customers. Brand recognition plays an important role in our industry. Customer loyalty for brands enhances the prospects of a Company in such industry. At present, our brand “*Dermawear*” is being well received in the market. We are highly conscious about our brand image and seek to further strengthen our brand by increasing its visibility through marketing initiatives, supplying qualitative products at competitive prices.

3. *Widen our product portfolio*

Our Company aims to expand and diversify our product portfolio by increasing its product base and introducing new range of product lines. We plan to continue expanding our manufacturing capabilities in order to capture future growth trends. We intend to explore opportunities to expand our operations by developing new products and services within our existing lines of business. Further expanding our service offerings will help us to build on existing diversification of our business. We believe that maintaining a variety in range of products in our business provides us with an opportunity to cater to diverse needs of different customer segment.

4. *Expand our international presence*

To strengthen our international presence, we are continually reaching out to newer markets internationally. Delivering our products to countries like Canada, Germany, Australia, United Kingdom, United States of America, we are increasing revenue by increasing our footprint.

5. *Leveraging our marketing skills and initiatives.*

Our marketing initiatives play a pivotal role in creating brand awareness, driving customer engagement, and generating sales. We will continue to leverage the power of varied advertising mediums for product specific and brand building campaigns in offline as well as online mediums including targeted advertising, social media campaigns, and influencer partnerships. To upscale our marketing efforts, we will continue investing in brand communication content, be it advertising films, advertising photo shoots, product shoots to create visually captivating and brand appropriate content that resonates with our target audience and elevates our brand perception. Furthermore, we will explore strategic collaborations with e-commerce platforms and retail outlets to expand our distribution network.

6. *Improving Functional Efficiency*

Efficiency is key to maintaining a competitive edge. We intend to implement process improvements across our organization, streamlining internal operations, optimizing inventory management, and enhancing logistics and distribution networks. By leveraging technology solutions such as enterprise resource planning (ERP) systems, data analytics, and automation, we will enhance functional efficiency, reduce costs, and increase productivity. These improvements will not only strengthen our financial performance but also attract investors seeking companies with robust operational frameworks.

Our comprehensive business strategy encompasses enhancing our brand image, strengthening our customer base, widening our product basket, expanding and upgrading our manufacturing facility, leveraging our marketing initiatives, and improving functional efficiency.

GEOGRAPHICAL PRESENCE SALES

Our company through its brand “*Dermawear*” is present across the length and breadth of the country. Apart from domestic market we are also selling in overseas market too. We have been continuously focusing on diversifying our customer concentration across domestic as well as global market. With a Pan-Indian distributor network and strong online presence through own and ecommerce market platforms, our brand is available in every corner. We are present in 28 states and 8 Union territories based on sales made for the financial year ended March 31, 2023, 2022 and 2021. Our export section caters to 5 countries namely Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023. For the Fiscals 2023, 2022 and 2021 our revenue from domestic sales was ₹ 3,594.63 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively which contributed 97.64 %, 100.00 %, and 100.00 % respectively of our revenue from operations.

International Sales



All India Distributors



PRODUCT PORTFOLIO

Our Company has product portfolio in the shapewear category. Ranging from Saree Shapewear, Mini Shaper, Sports Bra, All Mini Corset, Tummy Reducer, All Zenrik, Slimmer to Active Pants, Denim and Masks, etc. we have exhaustive range to cater to different needs.

Mini Corset 9 Inch	
	<ul style="list-style-type: none">➤ High waist Abdomen shapewear look and feel comfort with confidence➤ Strong compression help flatten extra bulges immediately➤ Improves posture and supports back.➤ Buckled straps help to avoid roll down issue➤ Firm compression high waist shapewear that helps you to wear your favourite attire.➤ Firm compression defines those curves.
Mini Shaper	
	<ul style="list-style-type: none">➤ Look and feel comfort with confidence.➤ Strong compression help flatten extra bulges instantly.➤ Improves posture and supports back➤ Provides compression at abdomen, hips, and thighs➤ Bottom opening for user convenience➤ High waist shapewear defines those curves
Slim & Trim High Waist	
	<ul style="list-style-type: none">➤ Firm compression targets the waist, abdomen, thighs, and hips.➤ A blend of cotton, spandex & micropoly makes the fabric moisture-wicking & breathable.➤ A super high waist helps cover under bust bulges➤ Provides support to the lower back, alleviates back discomfort, and improves posture➤ Helps strengthen the weak core muscles➤ Instantly reduces extra bulges by a few inches

Saree Shapewear	
	<ul style="list-style-type: none"> ➤ Removable drawstring to hold heavy saree & lehengas. ➤ Side slit for easy movement. ➤ Sturdy stretchable waistband. ➤ Targeted compression for curvaceous looks. ➤ Premium fabric and smooth finish. ➤ Exquisite mermaid fit.
Saree Shapewear Everyday	
	<ul style="list-style-type: none"> ➤ Removable drawstring to hold heavy saree & lehengas. ➤ Side slit for easy movement. ➤ Sturdy stretchable waistband. ➤ Overall Mild compression hence suitable for everyday wear. ➤ 360o stretch fabric for everyday use. ➤ Exquisite mermaid fit.
Bracer	
	<ul style="list-style-type: none"> ➤ Provides support and lifts sagging bust line. ➤ Front adjustable hooks for wearing ease. ➤ Convert your regular bra into high impact bra. ➤ No shoulder or back strain. ➤ To be worn over your regular bra. ➤ Adjustable straps for convenience.
Ambrex	
	<ul style="list-style-type: none"> ➤ Targeted compression and support to the abdomen, waist, and lower back.



- **Helps to flatten and shape high waist to abdomen area.**
- **Offer support and shaping for the bust area.**
- **Hook closure for wearing convenience.**
- **Premium fabric makes it more stretchy, comfy, and breathable.**
- **Helps to create a smoother and sculpted look.**

Mini Corset 2.0



- **Soft targeted compression gently flattens your tummy and highlights your curves.**
- **Panty-style high-waist compression shapewear.**
- **Soft and stretchy fabric for all-day comfort.**
- **Shapewear panty with smart striped contrasting fabric has an alluring appeal.**
- **Premium quality sheer is soft and comfortable, making it a majestic wear.**
- **Lightweight fabric on the sides provides feather-like lightness and comfort in any outfit.**

Mini Shaper 2.0



- **Contouring Shapewear in shorts style**
- **Fashionable lace that gives this shapewear a gorgeous look.**
- **High waisted universally flattering silhouette.**
- **Available in four vibrant colours- black, beige, red, pink.**
- **Breathable Design that can be teamed with multiple ensembles.**
- **Top quality fabric that lets you flaunt your curves effortlessly.**

Active Pants

- **The Ultimate Fitness Wear Pants for Gym, Pilates, Yoga or Dance.**

	<ul style="list-style-type: none"> ➤ Designed to allow agility in movement during fitness sessions. ➤ Second-skin level comfort, feather-light feel and moisture - wicking properties. ➤ Its high-rise, wide waistband helps to contour the abdomen area.
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Active T-Shirt

	<ul style="list-style-type: none"> ➤ All-Day Comfort and On-the-Go Capabilities. ➤ Stay Dry with Moisture-Wicking Technology. ➤ Breathable Fabrics for Enhanced Comfort ➤ Lightweight and Flexible for Unrestricted Movement ➤ Versatile Style for Active Fashionistas ➤ Durability and Longevity
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Tummy Reducer

	<ul style="list-style-type: none"> ➤ Provides target compression at abdomen and waist. ➤ Slip on shapewear for snug fit around the waist creates a smooth silhouette. ➤ Helps to flatten and shape extra bulges instantly by few inches. ➤ Need to be worn leg wise ➤ Breathable and stretchable fabric ensures comfort throughout the day ➤ Supports lower back and helps improve posture and alleviates back discomfort
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Slimmer



- Targeted compression at the abdomen, waist, hips, thighs & back
- Firm compression to shape, contour & create a smoother, streamlined silhouette
- Instantly minimises extra bulges, enhancing overall look along with comfort
- Zip and adjustable straps for ease of wearing
- Provides support and a lift to the bust area
- Provides additional support to the back and help improves posture

Tummy Tight



- Firm compression shapewear.
- Strong compression provides a sculpted look in your favourite outfit.
- Corrects posture and provides strong back support.
- Needs to be worn leg wise.
- Supporting abdominal muscles that are flabby and weak.
- Instantly reduces extra bulges by few inches.

Zenrik Everyday



- Supports weak/ bulgy abdominal muscles and quickly reduces your measurement.
- Look fit with comfort.
- Wide shoulder straps to avoid digging into skin.
- Perfect shape for that perfect look every day.
- Firm compression to shape up your chest and abdomen.
- Improves posture and supports back.

Denim 1201



- **Super stretchable and slim fit jeans**
- **Front and back pockets for ease**
- **Wide waistband to enhance the curves**
- **Ankle and Snug fit with extra comfort**
- **4-inch-high waist compression belt for comfortable grip**

Denim 1202



- **Super stretchable and slim fit jeans**
- **Front and back pockets for ease**
- **Ultra-wide waistband to enhance the curves**
- **Ankle and Snug fit with extra comfort**
- **6-inch-high waist compression belt for comfortable grip**
- **Anti-slip bones to avoid rolldown**

Sports Bra



SB-1101



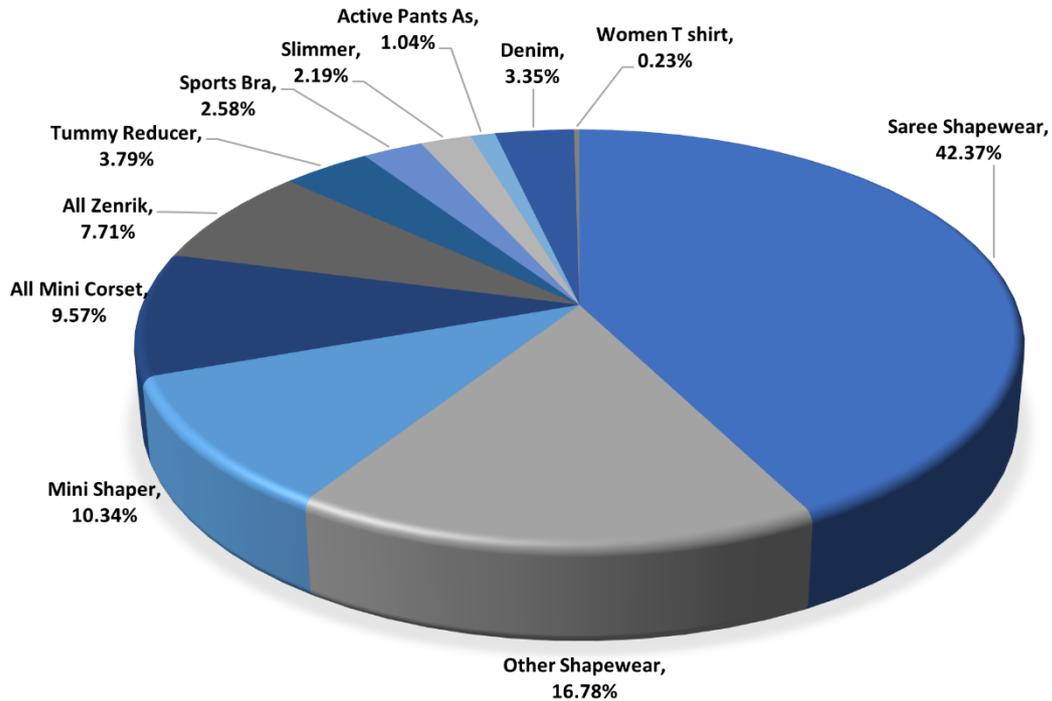
SB-1102

- **Deloads weight at shoulders.**
- **Supports & protects tissues from damage**
- **Whole day long comfort**
- **Made with hosiery, spandex, super knit**
- **Easy & free unrestricted movement**

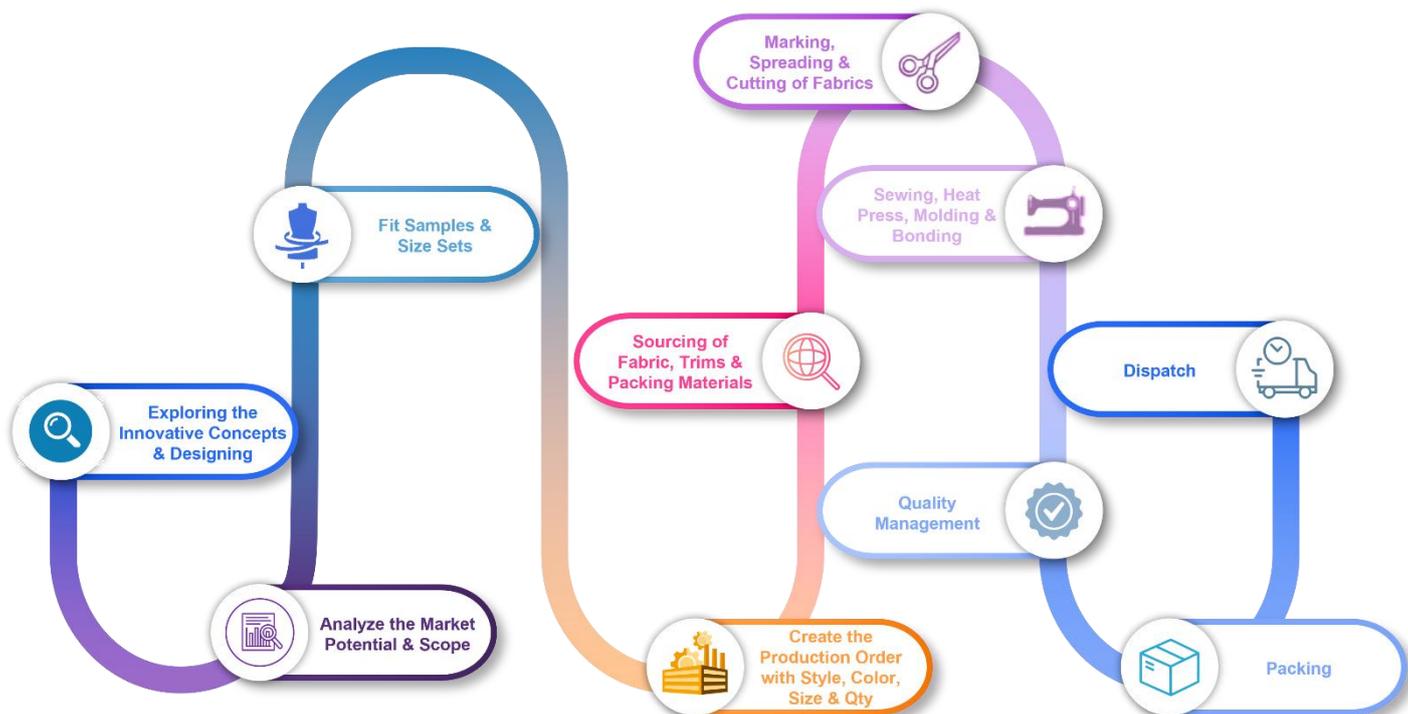
PRODUCTWISE WISE REVENUE

Product Wise Sales		FY 2022-23			FY 2021-22			FY 2020-2021		
Sr No.	Product	Units	Amount	% of Revenue	Units	Amount	% of Revenue	Units	Amount	% of Revenue
1.	Saree Shapewear	3,59,783	1,559.90	42.37%	2,44,421	1,041.06	39.00%	85,704	369.30	25.66%
2.	Other Shapewear	2,80,707	617.83	16.78%	2,50,358	457.33	17.13%	30,370	263.00	18.27%
3.	Mini Shaper	87,742	380.69	10.34%	76,381	293.77	11.00%	46,688	150.74	10.47%
4.	All Mini Corset	82,926	352.45	9.57%	77,047	292.62	10.96%	44,050	118.47	8.23%
5.	All Zenrik	47,047	283.86	7.71%	32,170	176.15	6.60%	22,107	103.70	7.20%
6.	Tummy Reducer	32,934	139.67	3.79%	38,883	140.00	5.24%	36,665	107.03	7.43%
7.	Sports Bra	25,833	95.14	2.58%	37,731	116.66	4.37%	74,528	145.07	10.08%
8.	Slimmer	6,784	80.93	2.19%	4,933	45.88	1.71%	14,043	89.64	6.22%
9.	Active Pants As	9,038	38.56	1.04%	14,184	55.04	2.06%	11,069	48.23	3.35%
10.	Denim	10,526	123.67	3.35%	4,898	50.23	1.88%	4,507	38.63	2.68%
11.	Women T shirt	3,720	8.75	0.23%	---	---	---	6,840	5.31	0.36%
	Total	9,47,040	3681.45	100.00%	7,81,006	2668.74	100.00%	3,76,571	1439.12	100.00%

PRODUCT WISE REVENUE



OUR BUSINESS PROCESS



The manufacturing process begins with first receiving the enquiry from the customer. Our professionals from our own Design & Development team in Meerut and Mumbai analyse the market potential and identify new products coming out in the changing fashion industry and identifies the innovative ideas to manufacture products that shall appeal to all kinds of customers. Our samples are manufactured to fit various sizes according to market study and surveys with different regional categories of people. The production order is then created with required style, colours and quantity grids and updated with information related to Fabric and trims as well. The principal raw materials required for our manufacturing process include Fabric, Elastic, Zips, Elastic Adjuster, Buckles, Hooks, Sliders, Heat Transfer Labels and etc. Our Company maintains a base of reliable material suppliers who consistently provide materials of appropriate dimensions as per our requirements. The purchase price of our raw materials generally follows market prices. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw materials are majorly procured in the domestic market from Delhi, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, Rajasthan and in the international market we procure our raw materials from China.

The fabric is made with strategic blend of pure Indian cotton & four ways stretchable elastic fabric by considering the long hours of wearing. The inspection machines then inspect and gives the clearance to cut the materials. The market software machine then cuts the fabric ensuring minimum fabric wastages and optimize the fabric utilization. The cut parts are packed and moved to Sewing lines to proceed for the next step of the production system. The fabric then moves to different types of Sewing machines, Heat seal machines and bonding machines. The Bonding machines are used with specially atmosphere conditioned fusing tapes to give the stability and quality of the end products. The manufacturing process is planned with careful sequences to ensure the Safety and Durability of the products. Our Company manufactures various types of products and few of our products require specific manufacturing process such as; Sports Bras are made with moulding technology to ensure fitness and shape according to various customer sizes.

The finished garments are then moved to trimming and checking section wherein loose thread ends are removed to improve craftsmanship look of our products. Our quality team ensures the quality of our products and checks whether the same are in line with the measurements suggested. The same is then packed using different packing materials and quantity options used in packing section based on the customers' orders from the distribution team, Retail & sales team and online teams. The packed goods are despatched to the planned locations and regions with different sales & distribution teams.



Pattern Digitizer



Sublimation Machine



Cutting Department



Stitching Department

Draw String Machine



Sublimation Machine





Fabric Inspection Machine



Fusing Machine



Moulding Machine



Tape Roll Cutting Machine



Denim Cutting Department



Denim Stitching Department



Quality Check Department



Labelling Department



Packaging Department



Dispatch Department



Warehouses

OUR MANUFACTURING FACILITIES

Our Company has a manufacturing facility and warehouses situated at

Unit Name	Address
Manufacturing Unit	Plot No. 30, 31, New Mayur Vihar, Near Raj Vansh Vihar, Garh Road, Meerut – 250 005, Uttar Pradesh, India.
Registered Office and Warehouse	Gala 201 - 204, 2nd Floor, Swamini industrial estate-III, Survey No. 96, Hissa no. 9/1 and 10/2, Village Waliv, Vasai, Palghar - 401208, Maharashtra, India.
Warehouse and branch office	No. 1/206-J1, Naranapuram Post, Amaravathi Nagar, Arumuthampalayam, Tiruppur, Tamil Nadu-641664

For further details, kindly refer to the section titled; “Our Properties” mentioned below.

To meet our PAN India presence and also to meet timely supply of our products through online sales, we have one manufacturing facility situated at Meerut, two warehouses situated at Vasai, Maharashtra and Tiruppur, Tamil Nadu, respectively and one branch office situated at Tiruppur, Tamil Nadu and one virtual office situated at Bengaluru. We also follow the online sales model and sell our products through Amazon and to ensure timely delivery of our products to customers across the country, we have received No objection from Amazon for using the additional place of business situated at different locations, respectively at Bengaluru (Two), Thane (Two), Lucknow, Coimbatore and Thiruvallur, Tamil Nadu.

CAPACITY AND CAPACITY UTILISATION

(Quantity in No's)

Particulars	2020-21 (in units)	2021-22 (in units)	2022-23 (in units)
Total Production capacity	4,00,000	7,00,000	9,00,000
Total sold quantity	2,92,073	5,80,690	7,99,484
Capacity utilisation	73.00%	83.00%	89.00%

Note:

- Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant fiscal year/ period.
- The above information is furnished on the basis of data provided and internal estimates and assumptions.
- The above information is certified by chartered engineer, M/s Mahesh Chandra vide their certificate dated July 14, 2023

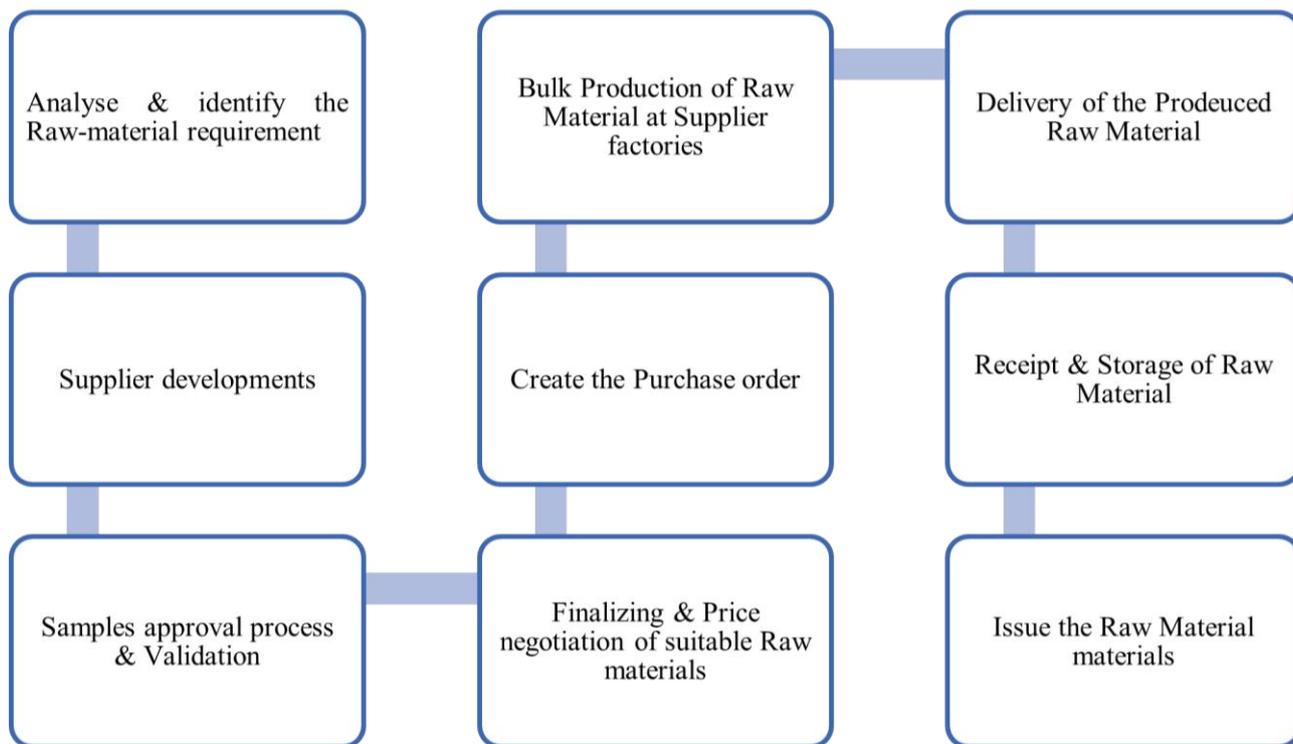
PRICING

We establish pricing structures that are fair, transparent, and competitive within the industry. Our prices reflect the value that our solutions bring to our customers, considering factors such as product quality, performance, functionality, and innovative features. Our pricing decisions are made after considering the costs associated with product development, manufacturing, materials, labour, overhead, and other relevant expenses. Our pricing strategy aims to achieve sustainable profitability while considering market dynamics, competitive landscape, and customer demand. We maintain the flexibility to adjust pricing based on market conditions, changes in cost structures, and customer requirements. We conduct thorough cost analysis to accurately determine the costs associated with product development, manufacturing, and related expenses. Further, regular cost reviews are conducted to ensure pricing decisions are based on up-to-date cost information. We also conduct market research and competitive analysis to understand prevailing market prices, industry trends, and customer expectations. Competitor pricing, product features, and positioning are considered to establish competitive and differentiated pricing strategies. We also assess the value proposition of our solutions based on factors such as energy efficiency, durability, performance, aesthetics, and customer benefits.

RAW MATERIALS

The principal raw materials required for our manufacturing process include Fabric, Elastic, Zips, Elastic Adjuster, Buckles, Hooks, Sliders, Heat Transfer Labels and etc. Our Company maintains a base of reliable material suppliers who consistently provide materials of appropriate dimensions as per our requirements. The purchase price of our raw materials generally follows market prices. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw material are majorly procured in the domestic market from Delhi, Gujarat, Haryana, Jammu &

Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, Rajasthan and in the international market we procure our raw materials from China.



The prices of our raw materials are based on, or linked to, the global pricing of such raw materials and components. Volatility in commodity prices can significantly affect our raw material costs. Any variations in raw materials pricing are generally passed on to the customer. While we endeavor to pass on all raw material price increases to our customers, we may not be able to compensate for or pass on our increased costs to our customers in all cases. If we are not able to compensate for or pass on our increased raw materials costs to our customers, such price increases could have a material adverse impact on our result of operations, financial condition and cash flows.

We have in-house planning and inventory control teams that work alongside the manufacturing team to determine procurement requirements for manufacturing finished products, creating production plans and ensuring the availability of raw materials. These in-house planning and inventory control teams monitor inventory and finished products against various factors, including capacity. For this purpose, our information technology systems are extensively used. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated production requirements taking into consideration any expected fluctuation in raw material prices, and delivery delay.

UTILITIES

Power

Our manufacturing process requires uninterrupted supply of Electric & Power for our manufacturing facility. We consume a substantial amount of power and fuel for our business operations. Our power requirements are met through local authorities, both at our manufacturing facility (registered office) and corporate office. To meet exigencies in case of power failure, we have also installed D.G. sets at our manufacturing unit.

We also intend to install solar power plant at our existing manufacturing facility to further decrease our cost and dependence on state electric supply. We plan to fund Capital Expenditure towards installation of solar power plant from the Net Proceeds of the issue. For details, also see “*Objects of the Issue*” on page 77.

Water

We do not require water for our manufacturing purpose. To meet drinking and sanitary water requirements we utilise water supply from local authorities to meet water requirements for our registered office, manufacturing facility, corporate office and for warehouse.

Fuel

The requirement of fuel for operating the machinery/equipment is met by supplies from local market.

CUSTOMERS, SALES AND MARKETING

We follow distribution model for sale of our products and have distributors spread across the country who inturn sell our products through various retailers. We also follow online and offline sales model for supply of our products and our products are registered on various online platforms such as Amazon, Ajo, Flipkart, Myntra, Nykaa Fashion, Nykaa Retail, Snapdeal and through our own website, www.dermawear.co.in. For the Fiscals 2023, 2022 and 2021 our revenue from online sales was ₹ 1,272.19 Lakhs, ₹ 901.18 Lakhs and ₹ 612.22 Lakhs which contributed 34.56%, 33.77% and 42.54%, respectively of our revenue from operations and revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations.

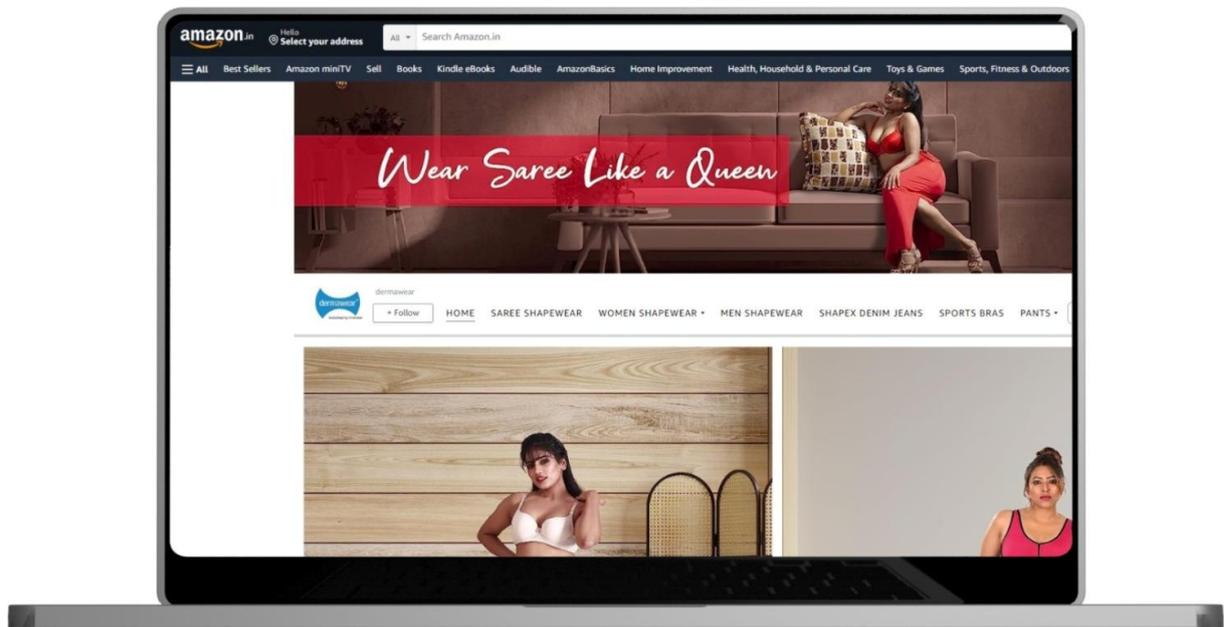
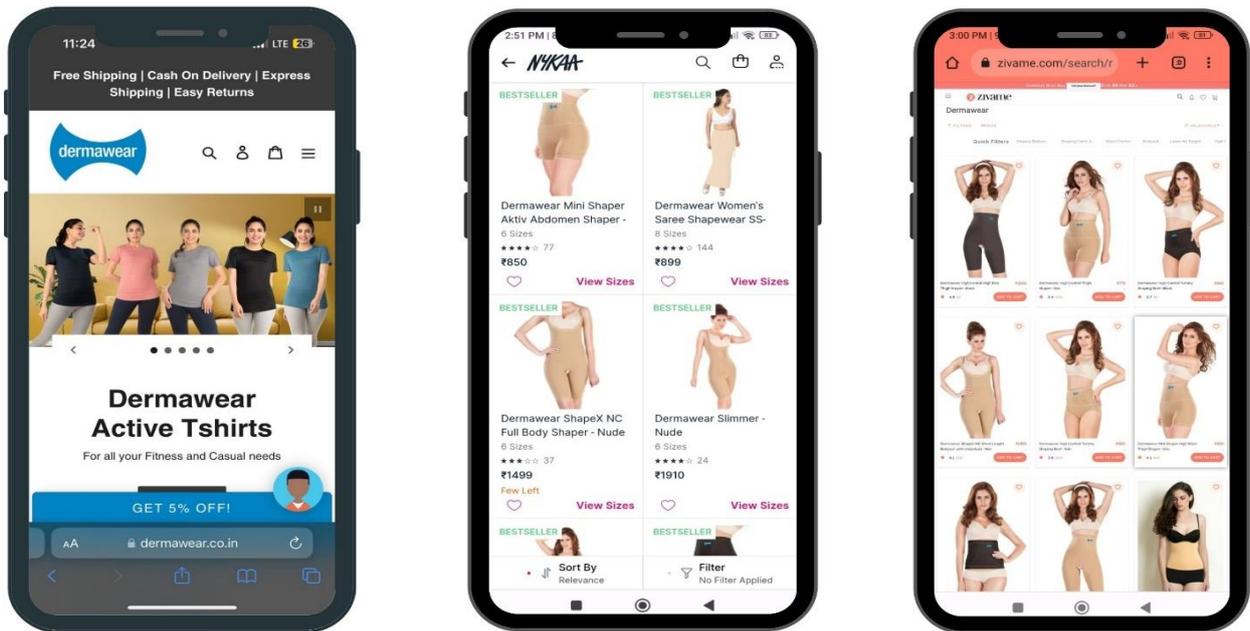
The efficiency of the marketing network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our team through their vast experience owing to timely and quality delivery of services plays an instrumental role in creating and expanding a work platform for our Company. At present, we have a marketing team who looks after our tie-ups with online portals. Further we also have our own website displaying and offering our variety of products thereby supporting in promotion of our brand and products. We also offer online discounts and schemes to allure customers.

At Dermawear, we understand that effective marketing is essential for reaching out to our valued customers. Our marketing efforts are designed to showcase our products, highlight their unique features and benefits, and ultimately build a strong customer base. We employ a diverse marketing strategy that utilizes various channels to maximize our reach and impact. Here are the key modes of marketing we employ to connect with our global audience:

Fair & Exhibitions: To keep increasing our reach and network we consistently participate in industry fairs and exhibitions organised throughout the country. It helps us create new business relations as well as give us industry and trade feedback first hand which we use to upgrade and tune up customer experience and develop new products.



Online Advertising: We harness the power of digital platforms to connect with customers worldwide. Through targeted advertisements in the online media, we ensure that our products are prominently displayed to our intended audience, including those actively seeking solutions for body shaping and support.



Social Media: We actively engage with our audience through popular social media platforms. These platforms provide us with the opportunity to share informative content, compelling testimonials, and captivating visuals that assist customers in making well-informed purchasing decisions. Additionally, our social media channels serve as interactive spaces where customers can connect with us directly, receive personalized assistance, and have their questions answered promptly.

In-store Branding: We have established collaborations with select retail stores to provide customers with a first-hand experience of our products. In-store branding initiatives offer us increased visibility and serve as powerful touchpoints for potential investors to witness the quality, functionality, and style of Dermawear products.



Magazines and Publications: Recognizing the influence of print media, we actively collaborate with magazines and publications in the print media to reach a wider audience. By featuring in advertorials and advertisements, we aim to inspire and educate readers about the number of products of Dermawear.

Photo and Video Shoots: In addition to the afore-mentioned marketing efforts, we also invest in professional photo shoots and video shoots. These initiatives play a pivotal role in upscaling our content, allowing us to visually showcase the superior design, fit, and versatility of Dermawear products. By investing in these visual assets, we aim to captivate our audience's attention, strengthen our brand image, and create a lasting impression among our target audience.



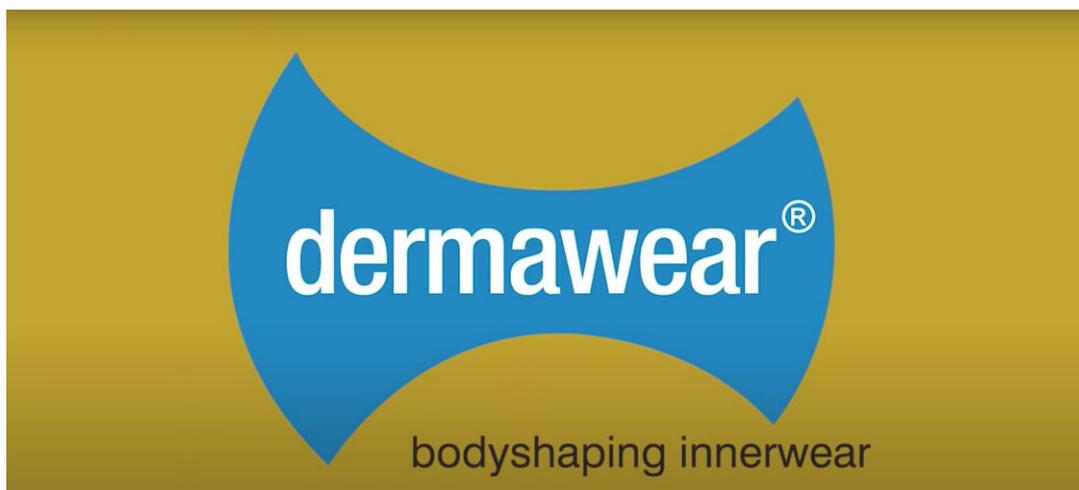
[Girlfriend Film](#)



[Bid Adieu to the Traditional Petticoat](#)



[Bedroom Ad](#)



Sector 12 ka Kitty Club

INVENTORY MANAGEMENT

Our finished products and raw materials are primarily stored on-site at our manufacturing facility and warehouses, as well as at the warehouse of our E-commerce platform partner (Additional Place of business). We produce a quantity of finished products that is determined based on a combination of confirmed and expected orders. In some cases, according to customer demand we hold strategic stock, so our lead times can be reduced. These are in most cases according to a stocking policy with customers, but in some instances, these are pro-active steps taken by the organisation to ensure better supply chain management.

To meet our PAN India presence and also to meet timely supply of our products through online sales, we have one manufacturing facility situated at Meerut, two warehouses situated at Vasai, Maharashtra and Tiruppur, Tamil Nadu, respectively and one branch offices situated at Tiruppur, Tamil Nadu and one virtual office situated at Bengaluru. We also follow the online sales model and sell our products through Amazon and to ensure timely delivery of our products to customers across the country, we have received No objection from Amazon for using the additional place of business situated at different locations, respectively at Bengaluru (Two), Thane (Two), Lucknow, Coimbatore and Thiruvallur, Tamil Nadu.

LOGISTICS

Our suppliers directly deliver raw materials to our manufacturing facility. We outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided between the customer and Company.

We enter into contracts with delivery companies pursuant to which such companies undertake the delivery of products to our consumers. We instruct the delivery companies to collect products from specified locations and deliver to our consumers in accordance with their orders. Apart from outsourcing the logistics operations, we also have in house arrangement for supply of our products by way of our owned commercial vehicles which is used to meet the logistics operations. We also intend to purchase one more commercial vehicle to reduce our dependency on third party logistics companies. We plan to fund Capital Expenditure towards purchase of commercial vehicle from the Net Proceeds of the issue. For details, also see "*Objects of the Issue*" on page 77.

COMPETITION

Our Company faces competition from a range of domestic and international players. While several established apparel companies boast strong brand recognition, the domestic segment remains fragmented, with a significant presence of unorganized and regional suppliers.

As a Known brand in the industry, Dermawear competes on multiple fronts, including product quality, brand image, pricing, and reliability. We recognize the importance of these factors in capturing market share and sustaining our growth. Thus, we are committed to continuously enhancing our brand image, offering innovative and cutting-edge products, and meeting the evolving fashion demands of our customers.

To stay ahead in the competitive landscape, Dermawear strives to differentiate itself through its commitment to excellence. We consistently push the boundaries of product quality, ensuring that our shapewear, Denim, Athleisure range and Sports bras meet the standards of performance, comfort, and durability. By emphasizing the superior features and benefits of our products, we aim to carve a unique position in the market.

Moreover, we understand the significance of customer satisfaction in building long-term relationships and gaining a competitive edge. Dermawear places great emphasis on providing customer service, addressing inquiries promptly, and ensuring a seamless shopping experience. By nurturing customer loyalty and trust, we aim to differentiate ourselves from our competitors.

Additionally, we continually seek opportunities to improve our operational efficiencies. This includes optimizing our manufacturing processes, streamlining our supply chain, and leveraging technology to enhance productivity. By enhancing our functional efficiency, we aim to offer competitive pricing without compromising on quality, further strengthening our position in the market.

INFORMATION TECHNOLOGY

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our manufacturing facility is connected to our central IT network that facilitates monitoring of our operations and management of supply chain. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and receivables from customers.

We intend to Upgrade our existing IT Software at our existing manufacturing facility, registered office and corporate office to enable better coordination and communication between all our team present at different locations. Installation of Corel Draw Graphic Suite Enterprise License shall enable our Company to adapt to the changing fashion trends and shall allow our graphic designers to be updated with the latest designs and prints for our products. For details, also see “*Objects of the Issue*” on page 77.

REPAIR AND MAINTENANCE

We conduct periodic repair and maintenance programs for our manufacturing facility. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plant and machineries on as needed basis. In addition, our manufacturing facilities is periodically inspected by our technicians.

QUALITY CONTROL

Our Company has installed quality management systems in house and we believe that we are a quality focused company. We are committed to maintain quality and at all steps from procurement till dispatch. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices. Before commencement of the manufacturing process, the materials purchased by our Company have to undergo a quality check, to ensure that they are of relevant quality and match the standards as specified. The finished products are tested done by our in-house team to ensure that the same is of relevant standards and design as specified by the customer to achieve the norms of self-certification; the products are then packed and dispatched.

ENVIRONMENT, HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see “*Key Industry Regulations and Policies*” beginning on page 150 of this Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see “*Government and Other Statutory Approvals*” beginning on page 211 of this Prospectus.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled/ semi-skilled/ unskilled resources together with our management team have enabled us to implement our growth plans. The following table sets forth a breakdown of our employees by function as on the date of March 31, 2023:

Sr. no	Category	No of Employees
1.	Production Department	191
2.	Packaging and Dispatch Department	44
3.	Quality Department	29
4.	HR & Administration Department	25
5.	Sales and Marketing Department	25
6.	Purchase Department	08
7.	Finance Department	06
8.	Creative Department	04
9.	IT Department	02
10.	Inventory Department	01
Total		335

EXPORT AND EXPORT OBLIGATIONS

Our Company has identified certain key export markets for its products. As on the date, we do not have any export obligation.

COLLABORATION

As on date of this Prospectus, our Company has not entered into any technical or financial collaboration agreements.

INSURANCE

Our operations are subject to various risks inherent in our industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events, including: (i) Insurance Policy Covering Standard Fire & Special Perils and Damage to Buildings, Plant and Machinery, Accessories and Stocks; (ii) Marine Insurance Policy; (iii). Group Accidental Policy. These insurance policies are renewed periodically to ensure that the coverage is adequate.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period up to	Policy No.	Sum Insured	Premium p.a.
1.	United India Insurance Company Limited	Burglary Floater Policy	25/08/2023	2505811222P1046 41329	₹ 5,75,00,000/-	₹ 10,178/-
2.	United India Insurance Company Limited	Burglary Standard Policy	25/08/2023	2505811222P1046 41411	₹ 70,00,000/-	₹ 1,239/-
3.	United India Insurance Company Limited	Burglary Standard Policy	25/08/2023	2505811222P1046 41603	₹ 30,00,000/-	₹ 531/-
4.	United India Insurance Company Limited	United Bharat Laghu Udyam Suraksha Policy	25/08/2023	2505811122P1046 40118	₹ 5,75,00,000/-	₹ 97,738/-
5.	United India Insurance Company Limited	United Bharat Sookshma Udyam Suraksha Policy	25/08/2023	2505811122P1046 41095	₹ 70,00,000/-	₹ 13,010/-
6.	United India Insurance Company Limited	United Bharat Sookshma Udyam Suraksha Policy	25/08/2023	2505811122P1046 40405	₹ 30,00,000/-	₹ 5,399/-

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period up to	Policy No.	Sum Insured	Premium p.a.
7.	Magma HDI General Insurance Co. Ltd	Commercial Comprehensive Package Policy	16/11/2023	P0023200001/4103/533214	₹ 8,92,050/-	₹ 27,919/-
8.	ICICI Lombard General Insurance Company Limited	Private Car Standalone Own Damage Policy	31/10/2024	TIL/10895610	₹ 18,48,800/-	₹ 52,416/-
9.	Iffco Tokio Insurance Company Limited	Bundled Motor Policy	29/05/2024	N0002009458	₹ 5,34,850/-	₹ 29,926/-
10.	Reliance General Insurance Company Limited	Reliance Private Car Policy	8/01/2024	996092323740000870	₹ 10,23,435/-	₹ 40,268/-
11.	ICICI Lombard General Insurance Co Ltd	Private Car Standalone OD	27/02/2024	3001/O/JP-107204/00/000	₹ 18,43,000/-	₹ 30616/-
12.	The New India Assurance Co. Ltd.	Bundled Motor Policy -	24/01/2024	98000031220912724252	₹ 5,68,100/-	₹ 20,905/-
13.	ICICI Lombard General Insurance Co Ltd	Bundled – Two-Wheeler Policy	29/12/2025	3005/2012856915/00/0000003213	₹ 65,347/-	₹ 5,115/-

PROPERTIES

Lease Properties:

Date of License and Lease	Lessor	Address	Period of Lease	Area	Monthly Rent	Purpose
Lease deed dated June 01 2023	C.P. & S Orthotics Partnership firm of Promoters	Gala 201 - 202, 2 nd Floor, Swamini industrial estate-III, Survey No. 96, Hissa no. 9/1 and 10/2, Village Waliv, Taluka Vasai, District-Thane, Maharashtra	11 months w.e.f June 01, 2023 till April 30, 2024	900 Sq. Ft.	₹ 20,000/- P.M.	Registered Office and Warehouse
Lease deed dated May 19, 2023	Mr. P. Kumaresan S/o. Ponnusamy R/o. Door No. -2/840, JJ Nagar, 1 st Street, Ramapuram, Veerapandi Post, Tirupur	No. 1/206-J1, Naranapuram Post, Amaravathi Nagar, Arumuthampalayam, Tiruppur, Tamil Nadu-641664	11 months commencing from February 15, 2023 till January 15, 2024	3,000 Sq. Ft. Building	₹ 20,000/- P.M.	Branch office & Warehouse
Lease deed dated August 03, 2022	I Blue Entertainment	#62/1, New No.7, 1 st Cross 2 nd Main, Ganganagar, Bangalore - 560032, Karnataka, India.	11 months commencing from July 28, 2023 till June 27, 2023	NA	₹ 12,000/- P.A.	Virtual Office

Owned Properties:

Address	Seller	Date of Agreement of Sale	Area	Consideration	Purpose
Gala 203, 2nd Floor, Swamini	Mr. Rakesh H.	March 11, 2011	581.90	₹ 15,00,000/-	Registered

Address	Seller	Date of Agreement of Sale	Area	Consideration	Purpose
industrial estate-III, Survey No. 96, Hissa no. 9/1 and 10/2, Village Waliv, Taluka Vasai, District-Thane, Maharashtra	Garg & MRs. Krishna R. Garg		Sq. Ft.		Office and Warehouse
Gala 204, 2nd Floor, Swamini industrial estate-III, Survey No. 96, Hissa no. 9/1 and 10/2, Village Waliv, Taluka Vasai, District-Thane, Maharashtra	Mr. Dharmendra Gangaram Dandekar	February 06, 2013	588.03 Sq. Ft.	₹ 16,50,000/-	Warehouse
Plot no. 31, Khasra No. 29, Mayur Vihar Colony, Rajaswa Village Kamalpura, Pargana / Tehsil / District: Meeruth	Mr. Rakesh Kumar Singhal	August 14, 2014	2,700 Sq. Ft.	₹ 48,30,000/-	Manufacturing Unit
Plot no. 30, Khasra No. 29, Mayur Vihar Colony, Rajaswa Village Kamalpura, Pargana / Tehsil / District: Meeruth	Mrs. Mahima Gupta and Mr. Himanshu Singhal	January 25, 2018	1,800 Sq. Ft.	₹ 13,22,000	Manufacturing Unit
Part of plot no. 14 and ½ of Plot no. 15, HARvans Vihar, Harvans Colony, Vill-Kamalpur, Meerut.	Smt. Ranjana Agarwal	February 15, 2023	176.279 Sq. Mtr.	₹ 40,00,000/-	Parking of Vehicle

INTELLECTUAL PROPERTY

For further details please see the chapter titled “Government and Other Statutory Approvals” on page 198 of this Prospectus.

Sr. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application & Validity	Details of acquisition	Consideration and duration of assignment
1.	DERMAWEAR	25	Application no. 2339561 Certificate No. 1220084	May 29, 2012 till May 29, 2032	Acquired by the Company vide Trademark License Agreement dated September 01, 2015 executed in favour of M/s. CPS Shapers Private Limited	<p>Consideration: the licensor shall be paid 2% royalty on an annual basis in case total sales under licensed trademarks exceeds Rs. 50.00 crores of all manufactured and sold goods and royalty shall be payable yearly beyond 10th year of this agreement even if the total turnover does not exceed 50.00 Crores.</p> <p>Termination: at the discretion of either parties upon service of</p>

Sr. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application & Validity	Details of acquisition	Consideration and duration of assignment
						notice of 90 days.
2.		10	Application no. 2339562	May 29, 2012 till May 29, 2032	Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited	Consideration: the licensor shall be paid 2% royalty on an annual basis in case total sales under licensed trademarks in India exceeds Rs. 50.00 crores of all manufactured and sold goods. Termination: at the discretion of either parties upon service of notice of 90 days.
3.		10	Application no. 2452991	January 02, 2013 till January 02, 2033		
4.		35	Application No. 3491943	February 23, 2017 till February 23, 2027		
5.		10	Application No. 3496760	March 01, 2017 till March 01, 2027		
6.		25	Application No. 3496761	March 01, 2017 till March 01, 2027		
7.		35	Application No. 3496762	March 01, 2017 till March 01, 2027		
8.		25	Application No. 3504434	March 04, 2017 till March 04, 2027		
9.		10	Application No. 2466258	January 24, 2013 till January 24, 2033		

Sr. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application & Validity	Details of acquisition	Consideration and duration of assignment
10.		25	Application No. 2466259	January 24, 2013 till January 24, 2033	Shapers Private Limited	licensee under this license agreement be paid to the licensor for any class of goods of services w.e.f. April 01, 2024.
11.	INVISM	10	Application No. 3491940	February 23, 2017 till February 23, 2027		Termination: upon service of a notice of 90 days by either party or upon breach of conditions of agreement.
12.	INVISM	25	Application No. 3491941	February 23, 2017 till February 23, 2027		
13.	MUSQUE	25	Application No. 3491942	February 23, 2017 till February 23, 2027		
14.	XEDRON	25	Application No. 3519458	April 04, 2017 till April 04, 2027		
15.		5	Application No. 3634687	September 13, 2017 till September 13, 2027		
16.		10	Application No. 3634688	September 13, 2017 till September 13, 2027		
17.		25	Application No. 3768118	March 01, 2018 till March 01, 2028	Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited	Consideration: 3% royalty on an annual basis of all goods manufactured and sold by the licensee under this license agreement be paid to the licensor for any class of goods of services w.e.f. April 01, 2024.
18.	YDIS	35	Application No. 4388057	December 24, 2019 till December 24, 2029		
19.		35	Application No. 4388058	December 24, 2019 till December 24, 2029		Termination: upon service of a notice of 90 days by either party or upon breach of conditions of

Sr. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application & Validity	Details of acquisition	Consideration and duration of assignment
						agreement.
20.		10	Application No. 3041447	August 25, 2015 till August 25, 2025	Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited	Consideration: 3% royalty on an annual basis of all goods manufactured and sold by the licensee under this license agreement be paid to the licensor for any class of goods of services w.e.f. April 01, 2024. Termination: upon service of a notice of 90 days by either party or upon breach of conditions of agreement.
21.		25	Application No. 3041448	August 25, 2015 till August 25, 2025		

International Trademarks Licensed to the Company by Mr. Rajendra Kumar (the original Owner) (Promoter):

Sr. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application	Authority	Details of acquisition	Consideration and duration of assignment
1.		10, 25 & 35	Register Number 302018001813 File Number: 3020180018137	January 17, 2018 till January 31, 2028	Deutsches Patent-und Markenamtes, Germany	Acquired by the Company vide Trademark License Agreement dated July 19, 2019 executed in favour of M/s. CPS Shapers Private Limited	Consideration: the licensor shall be paid 5% royalty on an annual basis of all manufactured goods and sold under any dermawear mark in any part of the world by the licensee under thie license Agreement, w.e.f. April 01, 2024. Termination: at the discretion of either parties upon service of notice of 90 days or before
2.		25, 35	Application number: Z.483594 Exclusive Right Number: R.313588	March 15, 2018 till March 15, 2028	The Patent Office of the Republic of Poland		
3.		25	Registration number: AE/253343	May 09, 2016 till May 09, 2026	United Arab Emirates, Ministry of Economy Trade marks Department		
4.		25	Registration no. 348108 Application no. 4-2017-41191	December 11, 2017 till December 10, 2027	Ministry of Science and Technology, Intellectual Property Office of Vietnam		
5.	DERMAWEAR	25	T/2016/8669	May 09, 2016 till May 08, 2026	Registrar of Industrial Property		

Sr. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application	Authority	Details of acquisition	Consideration and duration of assignment
					Department of Intellectual Property, Ministry of Economic Affairs, Royal Government Bhutan		upon breach of any of the terms of the agreement.
6.		25, 35	Application no. 97654129	October 29, 2022 (applied. Yet to be registered)	The Commissioner of Trademarks, USA		
7.	 DERMAWEAR	25, 35	Application no. UK00003884759	March 03, 2023 (applied. Yet to be registered)	Comptroller General of Patents, Designs and Trade Marks United Kingdom		

Copyright Licensed in favour of the Company by Mr. Rajendra Kumar (Publisher):

Sr. No.	Registered Work	Artistic	Title of Work	Registration Number	Date of Registration/ Application	Details of acquisition	Consideration and duration of assignment
1.			“DERMAWEAR-SHAPE UP WITH CONFIDENCE” (LOGO)	Registration number: a-107274/2013	October 25, 2013	Acquired by the Company vide Copyright License Agreement dated September 14, 2012 executed in favour of M/s. CPS Shapers Private Limited	Consideration: 2% royalty of price at which the product will be sold payable yearly commencing from 12 th year of use in packaging of the goods. Term: Upon service of notice of 60 days or upon breach of terms of agreement.
2.			ZENRIK	Registration no. A-117808/2017	June 10, 2016	Acquired by the Company vide Trademark License Agreement dated July 19,	Term of Agreement: 7(Seven) years from the date of agreement or earlier
3.			MEASURING TAPE	Registration no.: A-118324/2017	October 15, 2016	Acquired by the Company vide Trademark License Agreement dated July 19,	

Sr. No.	Registered Work	Artistic	Title of Work	Registration Number	Date of Registration/ Application	Details of acquisition	Consideration and duration of assignment
4.			PACKAGING BOX	Registration no, A-131861/2019	September 12, 2019	2023 executed in favour of M/s. CPS Shapers Private Limited	termination in the event of breach of contract Consideration: 2% of the price of MRP at which the final products will be sold and such royalty be payable yearly commencing from April 01, 2024
5.				Registration no A-146455/2023			

Designs Licensed in favour of the Company:

Sr. No	Article	Class	Design number	Date of Registration/ Application	Validity	Authority	Details of acquisition	Consideration and duration of assignment
1.	VEST	02-02	288605	November 16, 2016	November 16, 2026	Registrar of Patents and Designs	Acquired by the Company vide Design License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited	Consideration: 2% Royalty on the price at which the products will be sold License period: effective from the date of license till the life of the Registered design + 5years in case of renewal thereof. In case of non-payment of royalty for a period of 14 days from the date of service of notice.

Domain Name

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	https://dermawear.co.in/	D2773653-IN	IANA ID: 1011	January 15, 2008	January 15, 2025
2.	https://www.cpsshapersltd.com/	2796740895_D AIN_COM VRSN	IANA ID: 146	July 08, 2023	July 08, 2026

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Statutory Approvals” on page 211 of this Prospectus.

THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance

RoDTEP Scheme

RoDTEP stands for Remission of Duties and Taxes on Export Products. It is a new scheme that is applicable with effect from January 1st, 2021, formed to replace the existing MEIS (Merchandise Exports from India Scheme). The scheme will ensure that the exporters receive the refunds on the embedded taxes and duties previously non-recoverable. The scheme was brought about with the intention to boost exports which were relatively poor in volume previously.

BUSINESS/TRADE RELATED LAWS/REGULATIONS

Telemarketing Laws

The Department of Telecommunications ("**DoT**") has framed telemarketing guidelines which regulate commercial messages transmitted through telecommunication services and are applicable to the telemarketing activities by our Company in relation to our business. These guidelines require any person or entity engaged in telemarketing to obtain registration from the DoT. Telemarketing guidelines were issued by the Telecom Regulatory Authority of India ("**TRAI**") as the Telecom Unsolicited Commercial Communications Regulations, 2007 (the "**Unsolicited Communications Regulations**"). The Unsolicited Communications Regulations required telemarketers to, inter alia, obtain registration and discontinue the transmission of unsolicited commercial messages to telephone subscribers registered with a national database established under the regulations. The Unsolicited Communications Regulations have now been replaced with the Telecom Commercial Communications Customer Preference Regulations, 2010 (the "**Customer Preference Regulations**"), issued by the TRAI on December 1, 2010. The Customer Preference Regulations prohibit the transmission of unsolicited commercial communication via calls or SMS, except commercial communication relating to certain categories specifically chosen by the subscribers, certain exempted transactional messages and any message transmitted on the directions of the Government or their authorized agencies, impose penalties on access providers for any violations, require setting-up customer complaint registration facilities by access providers and provide for blacklisting of telemarketers in specified cases. Further, the Customer Preference Regulations prohibit the transmission of commercial messages other than between 9 a.m. to 9 p.m. Under the Customer Preference Regulations, no person, or legal entity who subscribes to a telecom service provided by an access provider, may make any commercial communication without obtaining a registration as a telemarketer from the TRAI.

Consumer Protection (E-Commerce) Rules, 2020 (the "E-commerce Rules")

The E-Commerce Rules regulate the marketing, sale and purchase of goods and services over a digital or electronic network. It restricts the use of any unfair trade practice by e-commerce entities and mandates the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules required all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with its provisions. Contravention of the E-Commerce Rules will attract penal action in accordance with the Consumer Protection Act, 2019.

Consumer Protection Act, 2019 (the "Consumer Protection Act") and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

Section 94 of the Consumer Protection Act, 2019 deals with measures to prevent unfair trade practices in e-commerce, direct selling, etc. it states that for the purposes of preventing unfair trade practices in e-commerce, direct selling and also to protect the interest and rights of consumers, the Central Government may take such measures in the prescribed manner.

Draft National E-Commerce Policy 2019

Draft National E-Commerce Policy Prepared by Government of India addresses six broad areas of the e-commerce ecosystem viz. data, infrastructure development, e-commerce marketplaces, regulatory issues, stimulating domestic digital economy and export promotion through ecommerce. The Policy takes into account interests of all stakeholders including investors, manufacturers, MSMEs, traders, retailers, startups and consumers. The National E-Commerce Policy has been formulated with a vision to provide a level-playing field to all stakeholders, including the individual consumers and MSMEs and start-ups.

The Digital Personal Data Protection Bill, 2022 (“DPDP Bill”)

The DPDP Bill, 2022 is intended to outline the rights and obligations of 'digital nagriks' or citizens, as well as to lay out the methods and standard for data collecting when it comes to entities. The proposed DPDP Bill, 2022 establishes severe penalties for violations of any of the legislation's provisions, which will be determined by the Data Protection Board of India. It provides financial penalties with a cap of ₹500 crores, which proves to be of much higher quantity as compared to the PDP Bill, 2019. The bill does not allow data principals to seek compensation from data fiduciaries for damages incurred because of unlawful processing. In addition, the legislation imposes obligations on data principals, and if they fail to comply with the regulations, fines of up to ₹10,000 can be levied. Some of these obligations include exercising rights in accordance with "the provisions of all applicable laws" and not filing "false or frivolous" complaints with the data fiduciary or the DPB.

The provisions of this Act upon notification, shall apply to the processing of digital personal data within the territory of India where: (a) such personal data is collected from Data Principals online; and (b) such personal data collected offline, is digitized. (2) The provisions of this Act shall also apply to processing of digital personal data outside the territory of India, if such processing is in connection with any profiling of, or activity of offering goods or services to Data Principals within the territory of India.

Information Technology Act, 2000 and Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.

Since our Company is involved in the business of online marketing and selling of its products through e-commerce platform, during the course of sale of their products, it gets access to the personal data including banking details / online payment utilities of the consumers purchasing our products and hence our working is governed by Information Technology Act, 2000. This act governs and provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as —electronic commerce. It highlights the grievous penalties and sanctions that have been enacted by the Parliament of India as a means to protect the e-governance, e-banking, and e-commerce sectors. It is important to note that the IT Act’s scope has now been broadened to include all the latest communication devices. It also gives legal recognition to Digital Signatures and facilitates storage of data. The Act is applicable to any offence or contravention committed outside India as well. If the conduct of person constituting the offence involves a computer or a computerized system or network located in India, then irrespective of his/her nationality, the person is punishable under the Act.

The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011: According to these rules, entities holding individuals’ sensitive personal information must maintain certain security standards that are specified.

Technology Up-Gradation Fund Scheme

Ministry of Textiles has been implementing Technology Up-gradation Funds Scheme (“TUFs”) since 1999 to facilitate technology upgradation of textiles industry in the country. TUFs aims at making available funds to the domestic textile industry of existing units as well as to set up new units with state-of-the-art technology so that its viability and comprehensiveness in the domestic as well as international markets may enhance. TUFs provides for interest reimbursement/capital subsidy/margin money subsidy and has been devised to bridge the gap between the cost of interest and the capital component to ease up the working capital requirement and to reduce the transaction cost, etc. TUFs is an important tool to infuse financial support to the textiles industry and help it capitalize on the vibrant and expanding global and domestic markets, through technology up-gradation, cost effectiveness, quality production, efficiency and global competitiveness.

New Textiles Policy, 2020

The New Textiles Policy, 2020 is aimed at developing in the country a competitive textile sector that is modern, sustainable, and inclusive. This new policy will have a special focus on the manufacturing of apparel and garment, technical textiles, man-made fiber products and exports. It will envisage positioning India as a fully integrated, globally competitive manufacturing and exporting hub and will entail the strategy and action plan for the country's textile and apparel segments while maintaining a pre-eminent position in the handicraft and handloom sectors.

Technical textiles: The Cabinet has approved the National Technical Textiles Mission. The govt. will spend Rs.1,000 crore in developing raw materials for technical textiles; research associations will be asked to produce applications for these.

Production-Linked Incentive Scheme in Textiles Products

In November 2020, the Union Cabinet approved the introduction of the Production-Linked Incentive Scheme in Textiles Products to enhance India's Manufacturing Capabilities as well as Exports. An amount of ₹ 10,683 crore has been approved as an outlay for a period of 5 years. This initiative will be implemented by the Ministry of Textile and is expected to cover forty product categories under man-made fiber.

Textiles Committee Act, 1963

The Textiles Committee Act, 1963 ("TCS") came into force on August 22, 1964. A textiles committee ("Textiles Committees") has been established under TCS with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee's functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textiles Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under TCS.

Textile (Development and Regulation) Order, 2001

The Textile (Development and Regulation) Order, 2001 ("Textile Order") was brought into force by the Central Government under Section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner. The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade Marks Act, 1999, except under and limited to the extent of specific authorization by the holder of or applicant for such brand or tradename.

Cotton Control Order, 1986

The Cotton (Control) Order, 1986 ("Cotton Order") prescribes the maximum quantity of cotton that may be possessed by a manufacturer, a cotton ginning factory, a cotton pressing factory, a cotton ginning and pressing factory and a person (other than a member of a Hindu Undivided Family growing cotton). The Cotton Order establishes the office of the Textile Commissioner as the regulatory body. The Cotton Order further specifies the quality standards that have to be met while picking cotton for the purposes of export and domestic consumption as well as the markings that have to be made on the cotton bale before marketing of the same.

The Bureau of Indian Standards Act, 1986

The Bureau of Indian Standards Act, 1986 ("BIS Act") was established to provide for the establishment of a bureau ("Bureau") for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith. "Indian Standard" means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes - (i) any standard recognized by the Bureau under clause (b) of section 10 of the BIS Act; and (ii) any standard established and published, or recognized, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau.

ENVIRONMENT LAWS

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy: -

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

Environmental Legislations

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”), Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”), aim to prevent, control and abate pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board. The Forest (Conservation) Act, 1980 (“FCA”) read with Forest (Conservation) Rules, 2003 aim to preserve forest land and provide for restriction on the deforestation of forests or use of forest land for non-forest purpose and requires prior approval for use of forest land for any non-forest purpose. The Environment (Protection) Act, 1986 read with Environment (Protection) Rules, 1986 aim to protect and improve the environment and provide rules for prevention, control and abatement of environment pollution and impose obligation for proper handling, storage, treatment, transportation and disposal of hazardous wastes.,

Environment Impact Assessment Notification of 2006

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the an updated circular is issued.

The reporting requirements for any investment in India by a person resident in India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates.

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

Duty Drawback Scheme

The duty drawback scheme is an option available to exporters. Under this scheme, exporter of goods is allowed to take back refund of money to compensate him for excise duty paid on the inputs used in the products exported by him. It neutralizes the duty impact in the goods exported. Relief of customs and central excise duties suffered on the inputs used in the manufacture of export product is allowed to exporters. The admissible duty drawback amount is paid to exporters by depositing it into their nominated bank account. Section 75 of the Customs Act, 1962 and Section 37 of the Central Excise Act, 1944, empower the Central Government to grant such duty drawback. Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 (the “Drawback Rules”) have been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities processing export documentation. Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme.

The all-industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture. Brand rate of duty drawback is granted in terms of rules 6 and 7 of the Drawback Rules in cases where the export product does not have any all-industry rate or duty drawback rate, or where the all-industry rate duty drawback rate notified is considered by the exporter insufficient to compensate for the customs or central excise duties suffered on inputs used in the manufacture of export products. For goods having an all-industry rate, the brand rate facility to particular exporters is available only if it is established that the compensation by all industry rate is less than 80% of the actual duties suffered in the manufacture of the export goods.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

Laws related to Overseas Investment by Indian Entities:

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI have vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

Foreign Trade Policy 2023:

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

LAWS RELATED TO EMPLOYMENT OF MANPOWER:

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

The Industrial Relations Code, 2020 ("Industrial Code")

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were

employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 19

LAWS RELATING TO INTELLECTUAL PROPERTY

Copyright Act, 1957 (“Copyright Act”)

Artistic works and various rights including ownership and economic rights are conferred on the author and are protected under Copyright Act, 1957. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

Trademarks Act, 1999

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

The Patents Act, 1970

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

The Designs Act, 2000 (Designs Act)

The objective of Designs Act it to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

OTHER GENERAL RULES AND REGULATIONS:

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”)

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its

discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

State Laws

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Other regulations:

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated under the name “C P S Shapers Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra on June 01, 2012. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to “C P S Shapers Limited” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on May 23, 2023. The fresh certificate of incorporation consequent to conversion was issued on June 20, 2023 by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U18109MH2012PLC231749.

Mr. Rajendra Kumar and Mr. Abhishek Kamal Kumar were the initial subscriber to the Memorandum of Association of our Company. Rajendra Kumar and Abhishek Kamal Kumar are current promoters of the company. For further details of our promoter please refer the chapter titled “Our Promoter and Promoter Group” beginning on page 177 of this Prospectus.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “Our Business”, “Industry Overview”, “Our Management”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages, 101, 184 and 186 respectively of this Prospectus.

Our Company has 7 (seven) shareholders as on the date of filing of this Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

The following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
8/74, Ganesh Krupa, Pragati Housing Society, Mahavir Nagar, Kandivali West Mumbai 400 067, Maharashtra, India.	126 D - 7 Sanskar CHS Ltd, Near Suvidha High School, RSC Gorai II, Borivali West Mumbai 400 092, Maharashtra, India.	02/07/2012	Administrative convenience
126 D - 7 Sanskar CHS Ltd, Near Suvidha High School, RSC Gorai II, Borivali West Mumbai 400 092, Maharashtra, India.	201-204 2 nd Floor Swamini Industrial Estate No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai (East), Palghar 401 208, Maharashtra, India.	01/01/2019	Administrative convenience

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
2012	Incorporation of our company under the name “C P S Shapers Private Limited”
2023	Converted to Public Limited Company and Name changed to “C P S Shapers Limited”

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

To carry on in India or elsewhere the business as manufacturer, traders, exporters, importers, merchants, wholesalers and retailers, stockiest, buying agents, dealers, distributors, intermediaries, brokers, or otherwise deal in compression products, compression garments, hosiery for medical use, shape wear, slimming garments, compression stockings, innerwear, shapers, fabrics, yarns, home furnishing accessories, leather products, handicraft items, readymade garments, floor coverings and to do all incidental acts and things necessary for the attainment of the above objects.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE LAST TEN YEARS

The following changes have been made in the Memorandum of Association of our Company Since Ten Years:

Date of Meeting	Type	Nature of Amendment
January 21, 2014	EOGM	Alteration in Capital Clause: The authorised share capital of our Company increased from ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹ 50,00,000/- divided into 5,00,000 Equity Shares of ₹ 10/- each.
January 13, 2023	EOGM	Alteration in Capital Clause: The authorised share capital of our Company increased from ₹ 50,00,000/- divided into 5,00,000 Equity Shares of ₹10/- each to ₹ 5,00,00,000/- divided into 50,00,000 Equity Shares of ₹ 10/- each.
May 23, 2023	EOGM	Adoption of New MOA: To adopt new set of Memorandum of association in accordance with Companies act, 2013.
May 23, 2023	EOGM	Alteration in Name Clause: Change in the name clause from “CPS Shapers Private Limited” to “CPS Shapers Limited”.

OUR HOLDING COMPANY

As on the date of this Prospectus, our Company does not have any Holding Company.

OUR SUBSIDIARY COMPANY

As on the date of this Prospectus, our Company does not have any Subsidiary Company.

ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

We do not have any financial or strategic partnerships as on the date of this Prospectus.

SHAREHOLDERS' AND OTHER AGREEMENT

Our Company has not entered into any Shareholders Agreement as on the date of this Prospectus.

LOCK OUTS AND STRIKES

There have been no lock outs or strikes at any of the location of our Company as on the date of this Prospectus.

TIME/COST OVERRUN IN SETTING UP PROJECTS

There has been no time and cost overruns in the Company as on date of this Prospectus.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled “Our Business” beginning on page 101 of this Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Prospectus.

JOINT VENTURES

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

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT, DIRECTOR, PROMOTER OR ANY OTHER EMPLOYEE

Neither our Promoter, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

MATERIAL AGREEMENTS

Except as disclosed above and in the chapter titled “*Our Business*” on page 101 of this Prospectus, we have not entered into any material agreement / contract as on the date of this Prospectus.

STRATEGIC PARTNERS

As of the date of this Prospectus, our Company does not have any Strategic Partners.

FINANCIAL PARTNERS

As on the date of this Prospectus, our Company does not have any other financial partners.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Prospectus, our Company has 7 (Seven) Directors on the Board, 1 (One) as Chairman & Managing Director, 1 (One) as Whole Time Director, 2 (Two) as Non-Executive Director and 3 (Three) as Independent Directors. There is 2 (Two) Woman Director in our Board.

The details of the Directors are as mentioned in the below table:

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re appointment	Other Directorships
<p>Name: Mr. Abhishek Kamal Kumar</p> <p>Father's Name: Mr. Rajendra Kumar</p> <p>Age: 42 years</p> <p>Date of Birth: September 11, 1980</p> <p>Designation: Chairman and Managing Director</p> <p>Residential Address: C-39, Moti Prayag Colony, Behind Anand Hospital, thana-medical, Meerut, Uttar Pradesh 250 004, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: Change in Designation as Chairman and Managing Director for a period of 5 (five) years with effect from July 07, 2023.</p> <p>DIN: 03513668</p>	<p>Originally Appointed as Director since incorporation</p> <p>Change in Designation as Chairman and Managing Director on July 07, 2023.</p>	<ul style="list-style-type: none"> • C P & S Orthotics Private Limited
<p>Name: Ms. Bhawna Kumar</p> <p>Father's Name: Mr. Parvesh Kumar</p> <p>Age: 42 years</p> <p>Date of Birth: September 26, 1980</p> <p>Designation: Whole Time Director</p> <p>Residential Address: C-39, Moti Prayag Colony, Behind Anand Hospital, thana-medical, Meerut, Uttar Pradesh 250 004, India.</p> <p>Occupation: Business.</p> <p>Nationality: Indian</p> <p>Term: Appointed as Whole Time Director for a period of 5 (five) years with effect from July 07, 2023.</p>	<p>Appointed as Whole Time Director on July 07, 2023.</p>	<ul style="list-style-type: none"> • Dayal Hosiery Private Limited

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re appointment	Other Directorships
<p>DIN: 03587088</p> <p>Name: Mr. Rajendra Kumar</p> <p>Father's Name: Late Mr. Gurmukh Singh</p> <p>Age: 75 years</p> <p>Date of Birth: October 14, 1947</p> <p>Designation: Non - Executive Director</p> <p>Residential Address: C-39, Moti Prayag Colony, Behind Anand Hospital, thana-medical, Meerut, Uttar Pradesh 250 004, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: Liable to retire by rotation.</p> <p>DIN: 03513800</p>	<p>Originally Appointed as Director since incorporation</p> <p>Change in designation as Non-Executive Director on July 07, 2023.</p>	<ul style="list-style-type: none"> Dayal Hosiery Private Limited
<p>Name: Mr. Abhav K Kumar</p> <p>Father's Name: Mr. Abhishek Kamal Kumar</p> <p>Age: 18 years</p> <p>Date of Birth: September 06, 2004</p> <p>Designation: Non-Executive Director</p> <p>Residential Address: C-39, Moti Prayag Colony, Behind Anand Hospital, thana-medical, Meerut, Uttar Pradesh 250 004, India.</p> <p>Occupation: Student</p> <p>Nationality: Indian</p> <p>Term: Liable to retire by rotation</p> <p>DIN: 10042678</p>	<p>Appointed as Additional Director on March 18, 2023.</p> <p>Re-designated as Non-Executive Director w.e.f. May 23, 2023.</p>	<p>Nil</p>
<p>Name: Mr. Sandeep Avdhesh Dubey</p> <p>Father's Name: Mr. Avdhesh Dubey</p> <p>Age: 34 years</p> <p>Date of Birth: May 10, 1989</p> <p>Designation: Non-Executive Independent Director</p> <p>Residential Address: E-301 New Sai Charan Darshan CHS LTD, Indralok PH-2 A, Gopal Patil Road, Near Pramod</p>	<p>Appointed as Non-Executive Independent Director on July 07, 2023.</p>	<p>Nil</p>

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re appointment	Other Directorships
<p>Maharajan Hall, Bhainder East, Thane 401 105, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: Appointed as Independent Director for a period of 5 (Five) years with effect from July 07, 2023</p> <p>DIN: 07760812</p>		
<p>Name: Mr. Vijay Mukesh Thakkar</p> <p>Father's Name: Mr. Mukesh Manilal Thakkar</p> <p>Age: 28 years</p> <p>Date of Birth: December 27, 1994</p> <p>Designation: Non-Executive Independent Director</p> <p>Residential Address: Shivde Chawal, Room No. 2, Kala Talav, VIR Kotval Chowk, Kalyan West 421 301, Thane, India.</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: Appointed as Independent Director for a period of 5 (Five) years with effect from July 07, 2023</p> <p>DIN: 10227101</p>	<p>Appointed as Non-Executive Independent Director on July 07, 2023.</p>	<p>Nil</p>
<p>Name: Ms. Trupti R Kalsariya</p> <p>Father's Name: Mr. Ganpatbhai Raghavbhai Vora</p> <p>Age: 33 years</p> <p>Date of Birth: September 04, 1989</p> <p>Designation: Non-Executive Independent Director</p> <p>Residential Address: B-712, 7th Floor Khot Dongri Hieghts Rani Sati Marg, Opp. Laxminarayan Temple, Malad East 400 0097, Maharashtra, India.</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: Appointed as Independent Director for a period of 5 (Five) years with effect from July 07, 2023</p> <p>DIN: 10226827</p>	<p>Appointed as Non-Executive Independent Director on July 07, 2023.</p>	<p>Nil</p>

BRIEF PROFILE OF OUR DIRECTORS

Mr. Abhishek Kamal Kumar, aged 42 years is the Promoter, Chairman and Managing Director of our Company. He has completed his Bachelor's Degree in Computer Applications from Indira Gandhi National Open University in the year 2001. He also holds Advance Certificate in Export Management from Foreign Trade Development Centre. He has also taken formal training under full import clearance procedure and documentation from Reliance Cargo. He has around 15 years of experience in the same industry in which we operate. He has been associated with our Company since incorporation and was redesignated as Chairman and Managing Director w.e.f. July 07, 2023 for a period of 5 years. He looks after the management and operations of the company and is involved in bringing about innovation in the operations and products of the Company. He is responsible for the entire management and administration of the Company and brings about innovation through creation of new capacities, development of products, exploring and evaluating ways of penetrating existing markets and developing new markets in India and abroad.

Ms. Bhawna Kumar, aged 42 years, is the Whole Time Director of our Company. She has completed Bachelor Art in the year 2000 and Master of Art in the year 2002 from CH. Charan Singh University Meerut. She is currently responsible for looking after the Human Resource department of our Company. She holds an experience of around 11 years in the same industry.

Mr. Rajendra Kumar, aged 75 years is the Promoter and Non-Executive Director of our Company. He has completed Bachelors of Science from Kanpur University, in the year 1970. He has around 15 years of experience in the industry in which we operate. He has been associated with our Company since incorporation as a founder member and has been instrumental in extensive R&D and development of new products. He was redesignated as Non- Executive Director w.e.f. July 07, 2023.

Mr. Abhav K Kumar, aged 18 years is the Non-Executive Director of our Company. He has been appointed on May 23, 2023. Presently he is pursuing BBA (Hons.) Family Business from Jindal Global Business School, O. P. Jindal Global University (JGU). He is a fresher and has been appointed as non-executive director of our Company to provide insights to the new ideas and new age techniques to the Company.

Mr. Sandeep Avdhesh Dubey, aged 34 years, is the Non-Executive Independent Director of our Company. He has been appointed as Non-Executive Independent Director of our Company w.e.f. July 07, 2023. He has passed the Professional Competence Examination conducted by The Institute of Company Secretary of India in year 2016. He holds certificate of Practise from The Institute of Company Secretary of India in year 2017.

Mr. Vijay Mukesh Thakkar, aged 28 years, is the Non-Executive Independent Director of our Company. He has been appointed as Non-Executive Independent Director of our Company w.e.f. July 07, 2023. He has passed the Professional Competence Examination conducted by The Institute of Company Secretary of India in year 2015 and is an Associate member of the Institute of Company Secretaries of India. Currently he working as a Company Secretary and Compliance Officer at Jakharia Fabric Limited.

Ms. Trupti R Kalsariya, aged 33 years, is the Non-Executive Independent Director of our Company. She has been appointed as Non-Executive Independent Director of our Company w.e.f. July 07, 2023. She has completed Master of Commerce from University of Mumbai, in the year 2012. She has passed Integrated Professional Competence Examination conducted by the Institute of Chartered Accountants of India. She has around 7 years of experience in the field of Accounting and Taxation. She has previously worked with J M Mehta & Co. Chartered Accountants as Associate Accountant. Currently she working as Manager at S B Deliwala Co. Chartered Accountants.

CONFIRMATIONS

As on the date of this Prospectus:

- Except as disclosed below, none of the Directors and Senior Management of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.
 - Mr. Rajendra Kumar and Mr. Abhishek Kamal Kumar are related to each other as Father and Son
 - Mr. Rajendra Kumar and Ms. Bhawna Kumar are related to each other as Father-in-Law and Daughter in Law
 - Mr. Rajendra Kumar and Mr. Abhav K Kumar are related to each other as Grand Father and Grand Son
 - Mr. Abhishek Kamal Kumar and Ms. Bhawna Kumar are related to each other as Husband and Wife
 - Mr. Abhishek Kamal Kumar and Mr. Abhav K Kumar are related to each other as Father and Son
 - Ms Bhawna Kumar and Mr. Abhav K Kumar are related to each other as Mother and Son

- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors and senior management of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a Promoter or Director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, 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, trust or company in which he is interested, in connection with the promotion or formation of our Company.

DETAILS OF BORROWING POWERS

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on July 07, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 200 Crores.

REMUNERATION OF OUR DIRECTORS

The compensation package payable to the Managing Director, Whole Time Director and other Directors from F.Y. 2023 - 24 onwards as resolved in the Extra Ordinary General Meeting held on July 07, 2023 is stated hereunder:

Mr. Abhishesk Kamal Kumar

Mr. Abhishesk Kamal Kumar has been a director of the Company since incorporation. He was appointed as the Chairman & Managing Director of our Company for a period of five years with effect from July 07, 2023. The details of his remuneration as revised by our members on July 07, 2023, with effect from July 07, 2023, for a period of five years, are as stated below:

Particulars	Remuneration (In ₹ lakhs)
Remuneration	₹ 4,00,000/- per month which shall be a sum of up to ₹ 48,00,000/- Lakhs per annum.
Other benefits	The director shall be entitled to reimbursement of expenses as decided by Board of Directors of Company from time to time.

Ms. Bhawna Kumar

Ms. Bhawna Kumar has been a Whole Time Director of the Company on July 07, 2023. The details of his remuneration as approved by our members on July 07, 2023, with effect from July 07, 2023, for a period of five years, are as stated below:

Particulars	Remuneration (In ₹ lakhs)
Remuneration	₹ 1,00,000/- per month which shall be a sum of up to ₹ 12,00,000/- Lakhs per annum.
Other benefits	The director shall be entitled to reimbursement of expenses as decided by Board of Directors of Company from time to time.

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, for the time being in force). The Remuneration / Sitting Fees paid to the Directors during the last F.Y. 2022 - 23 is as follows:

Sr. No.	Name	Designation	Remuneration paid (₹ in Lakhs)
1.	Mr. Abhishek Kamal Kumar	Chairman & Managing Director	₹ 39.00/- pa
2.	Mr. Rajendra Kumar	Non-Executive Director	₹ 13.20/- pa
3	Ms. Bhawna Kumar	Whole Time Director	₹ 6.00/- pa
4.	Mr. Abhav K Kumar	Non-Executive Director	Nil

SITTING FEES

Pursuant to the resolution passed by the Board of Directors of our Company on July 07, 2023, the other Non-Executive Directors and Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹10,000/- for attending every meeting of Board or its committee thereof.

REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARIES OR ASSOCIATES

As on the date of this Prospectus, we do not have any subsidiaries or associates.

PAYMENT OF BENEFITS (NON-SALARY RELATED)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

None of the Directors are party to any bonus or profit-sharing plan of our Company.

SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our directors to hold any qualification shares.

The details of the shareholding of our directors as on the date of this Prospectus are as follows:

Name	Designation	No. of Equity Shares held	% of pre issue paid up capital	% of post issue paid up capital
Mr. Rajendra Kumar	Non-Executive Director	1,20,000	8.00%	5.71%
Mr. Abhishek Kamal Kumar	Chairman and Managing Director	11,40,000	76.00%	54.29%
Ms. Bhawna Kumar	Whole Time Director	1,11,000	7.40%	5.29%
Mr. Abhav K Kumar	Non-Executive Director	3,000	0.20%	0.14%

INTEREST OF OUR DIRECTORS

All the Directors may be deemed to be interested to the extent of fees, if any, 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 the Articles of Association. All our Independent Directors may be deemed to be interested to the extent of

sitting fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent and reimbursement of expenses payable to them under our Articles of Association. Further some of our directors may be deemed to be interested to the extent shareholding held by them, their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoter and in any dividend distribution which may be made by our Company in the future. Some of our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares.

Our Managing Director, Mr. Abhishek Kamal Kumar, Ms. Bhawna Kumar Whole Time Director, Mr. Rajendra Kumar Non-Executive Directors and Mr. Abhav K Kumar Non-Executive Directors deemed to be interested to the extent of remuneration and Sitting Fees payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors and Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company. Further our Managing Director, Mr. Abhishek Kamal Kumar, Ms. Bhawna Kumar Whole Time Director, Mr. Rajendra Kumar Non-Executive Directors and Mr. Abhav K Kumar Non-Executive Directors may also be regarded as interested in the Equity Shares and any dividend payable to them and other distributions in respect of the said Equity Shares, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoters, pursuant to this Issue.

No loans have been availed by our directors from our Company as on the date of filing of this Prospectus. Our directors' may also be deemed to be interested to the extent of guarantees given by them for secured loan availed by our Company. No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Interest in the property of the Company

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*”, beginning on page 101 of this Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company.

Interest in Business of the Company

Except as stated in the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 101 and 184 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

Interest in promotion of the Company

Except for Mr. Abhishek Kamal Kumar, and Mr. Rajendra Kumar who is the Promoter of our Company, none of the other Directors are interested in the promotion of our Company.

Except as disclosed above, our directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machineries.

Except as disclosed in this Prospectus, no amount or benefit has been paid or is intended to be paid or given to any of our directors except the normal remuneration for services rendered as Directors and/or as Key Managerial Personnel.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment / Change in designation	Reason for Change
1.	Mr. Abhav K Kumar	March 18, 2023	Appointed as Additional Director
2.	Mr. Abhav K Kumar	May 23, 2023	Change in Designation to Non- Executive Director
3.	Mr. Abhishek Kamal Kumar	July 07, 2023	Change in designation as Chairman & Managing Director
4.	Ms. Bhawna Kumar	July 07, 2023	Appointed as Whole Time Director
5.	Mr. Rajendra Kumar	July 07, 2023	Change in Designation to Non- Executive Director
6.	Ms. Sandeep Avdhesh Dubey	July 07, 2023	Appointed as Non-Executive Independent Director to ensure better corporate governance
7.	Mr. Vijay Mukesh Thakkar	July 07, 2023	Appointed as Non-Executive Independent Director to ensure better corporate governance
8.	Ms. Trupti R Kalsariya	July 07, 2023	Appointed as Non-Executive Independent Director to

Sr. No.	Name of the Director	Date of Appointment / Change in designation	Reason for Change
			ensure better corporate governance

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Prospectus, our Company has 7 (Seven) Directors on the Board, 1 (One) as Chairman & Managing Director, 1 (One) as and Whole Time Director, 2 (Two) as Non-Executive Director and 3 (Three) as Independent Directors. There is 2 (Two) Woman Directors.

COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI LODR Regulations: (i) Audit Committee, (ii) Stakeholders' Relationship Committee and (iii) Nomination and Remuneration Committee.

Audit Committee

Our Board has constituted the Audit Committee vide Board Resolution dated July 07, 2023 which was in accordance with Section 177 of the Companies Act, 2013.

The audit committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	Chairman
Ms. Trupti R Kalsariya	Non-Executive Independent Director	Member
Mr. Abhishek Kamal Kumar	Chairman and Managing Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii) Changes, if any, in accounting policies and practices and reasons for the same;

- iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions;
 - vii) Qualifications in the audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 10. Discussion with internal auditors any significant findings and follow up there on;
 11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 14. To review the functioning of the Whistle Blower mechanism;
 15. Approval of appointment of CFO (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;
 16. Approval or any subsequent modification of transactions of the Company with related parties;
 17. Scrutiny of inter-corporate loans and investments;
 18. Valuation of undertakings or assets of the Company, wherever it is necessary;
 19. Evaluation of internal financial controls and risk management systems;
 20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
 21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

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:

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
 - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv) Internal audit reports relating to internal control weaknesses; and
 - v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
 - vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.
22. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Meeting of Audit Committee and Relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Stakeholders' Relationship Committee

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated July 07, 2023, pursuant to Section 178 of the Companies Act, 2013.

The Stakeholders' Relationship Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Vijay Mukesh Thakkar	Non-Executive Independent Director	Chairman
Ms. Trupti R Kalsariya	Non-Executive Independent Director	Member
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. review of measures taken for effective exercise of voting rights by shareholders;

3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;
7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;
14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Meeting of Stakeholders' Relationship Committee and Relevant Quorum

The stakeholders' Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

Nomination and Remuneration Committee

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated July 07, 2023 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Vijay Mukesh Thakkar	Non-Executive Independent Director	Chairman
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	Member
Ms. Trupti R Kalsariya	Non-Executive Independent Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description

of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- i) use the services of an external agencies, if required;
 - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
 4. devising a policy on Board diversity;
 5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
 6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 7. recommend to the board, all remuneration, in whatever form, payable to senior management.

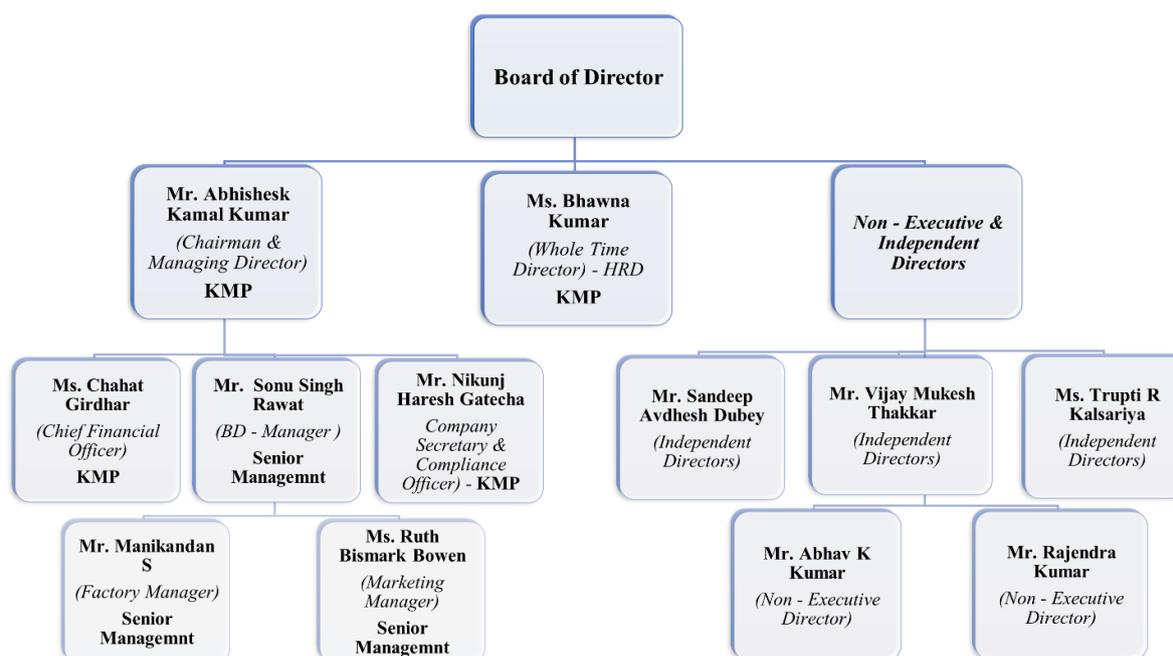
Meeting of Nomination and Remuneration Committee and Relevant Quorum

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the NSE Emerge. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

The details of Key Managerial Personnel apart from our Managing Director and our Whole Time Director is mentioned below. Mr. Abhishek Kamal Kumar is the Chairman & Managing Director and Ms. Bhawan Kumar is the Whole Time Director of the Company. For detailed profile, see para, “Brief Profile of our Directors” on page 162 of this Prospectus.

Ms. Chahat Girdhar, aged 29 years, is the Chief Financial Officer of our Company with effect from July 07, 2023. She has completed her Bachelor of Commerce from CH. Charan Singh University, Meerut in the year 2014 and has also passed Integrated Professional Competence Examination Certificate from the Institute of Chartered Accountants of India. She has around 6 years of experience in field of accounting, taxation and finance. She previously worked with J S Hospitality Services Private Limited. She is responsible for accounts, taxation and finance of our company. She was paid ₹ 9,00,000 Lakhs as salary in the Fiscal Year 2022-23.

Mr. Nikunj Haresh Gatecha, aged 33 years, is the Company Secretary and Compliance Officer of our Company with effect from July 07, 2023. He is an Associate member of the Institute of Company Secretaries of India. He was previously worked with Vibhor Steel Tubes Private Limited as Company Secretary and Compliance Officer. He is responsible for the Secretarial, Legal and Compliance division of our Company. He was not paid any remuneration in the Fiscal Year 2022-23 as he has been appointed in our Company with effect from July 07, 2023.

Senior Management

All the Senior Management are permanent employees of our Company.

In addition to the Company Secretary and Compliance Officer and the Chief Financial Officer of our Company, whose details are provided in - “Key Managerial Personnel” on page 171, the details of our other Senior Management are set out below:

Mr. Sonu Singh Rawat, aged 37 years, is the Business Development Manager of our Company. He has been associated with our company since December 14, 2018. He previously worked with Lipap Systems Private Limited as Product/Market Development Manager. He has more than 15 years of experience in Business Development Industry. He was paid ₹ 10.72 Lakhs as salary in the Fiscal Year 2022-23.

Mr. Manikandan S, aged 28 years, he is the Factory Manager of our company. He has been associated with our company since August 12, 2022. He has completed Bachelor of Business Administration from Nallamuthu Gounder Mahalinga, College, Tamil Nadu in the year 2016. He has previously worked with Intimate Fashion as Executive - Industrial Engineering. He was paid ₹ 4.20 Lakhs as salary in the Fiscal Year 2022-23.

Ms. Ruth Bismark Bowen, aged 36 years is the Marketing Manager of our company. She has been associated with our company since June 01, 2012. She has completed Bachelor of Arts from University of Mumbai, Maharashtra in the year 2010. She has completed course on Adobe Illustrator, Photoshop, Coral Draw, In Design, Flash and Dream Weaver through Arena Multimedia, in the year 2007. She has approximately 13 years of experience in graphic designing & marketing industry. She was previously worked with OM Spectrum Media Private Limited, Green Chili Events & Media Production House, Duralabel Graphics Private Limited as Graphic Designer and Dish Hospitality Private Limited as Senior Graphic Designer. She was paid ₹ 6.28 Lakhs as salary in the Fiscal Year 2022-23.

STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All our Key Managerial Personnel and senior management are permanent employees of our Company.

RELATIONSHIP BETWEEN OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except mentioned below, none of our directors are related to our Key Managerial Personnel and senior management.

- Mr. Rajendra Kumar and Mr. Abhishek Kamal Kumar are related to each other as Father and Son
- Mr. Rajendra Kumar and Ms. Bhawna Kumar are related to each other as Father-in-Law and Daughter in Law
- Mr. Rajendra Kumar and Mr. Abhav K Kumar are related to each other as Grand Father and Grand Son

- Mr. Abhishek Kamal Kumar and Ms. Bhawna Kumar are related to each other as Husband and Wife
- Mr. Abhishek Kamal Kumar and Mr. Abhav K Kumar are related to each other as Father and Son

SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

None of our KMPs or senior management holds any shares of our Company as on the date of this Prospectus except as stated in the below table:

Name	Designation	No. of Equity Shares held	% of pre issue paid up capital	% of post issue paid up capital
Mr. Abhishek Kumar Kamal	Chairman and Managing Director	11,40,000	76.00%	54.29%
Ms. Bhawna Kumar	Whole Time Director	1,11,000	7.40%	5.29%

For further details please see chapter titled “*Capital Structure*” on page 67 of this Prospectus.

SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Key Managerial Personnel and senior management have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Management Personnel and senior management has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel and senior management may also be deemed to be interest to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and senior management have been selected as the Key Managerial Personnel and senior management of our Company.

BONUS OR PROFIT-SHARING PLAN OF KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

There is no profit-sharing plan for the Key Managerial Personnel and senior management. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

There is no contingent or deferred compensation payable to our Directors, Key Managerial Personnel and senior management, which does not form part of their remuneration.

EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN

Our Company does not have an employee stock option scheme as on the date of this Prospectus.

PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT (NON-SALARY RELATED)

No amount or benefit has been paid or given within the preceding two years or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Management, other than normal remuneration, for services rendered as officers of our Company and other than as disclosed in “*Our Promoters and Promoter Group*” on page 177 of this Prospectus.

Other than statutory benefits upon termination of their employment in our Company on retirement and, none of our Key Managerial Personnel or Senior Management have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel or Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Prospectus are set forth below:

Name	Designation	Date of Appointment/ Change in designation	Reason for Change
Mr. Abhishesk Kamal Kumar	Chairman & Managing Director	July 07, 2023	Change in designation as Managing Director
Ms. Bhawna Kumar	Whole Time Director	July 07, 2023	Appointed as Whole Time Director
Ms. Chahat Girdhar	Chief Financial Officer	July 07, 2023	Appointed as Chief Financial Officer
Mr. Gatecha Nikunj Haresh	Company Secretary and Compliance Officer	July 07, 2023	Appointed as Company Secretary and Compliance Officer
Mr. Manikandan S	Senior Management	August 12, 2022	Appointed as Senior Management

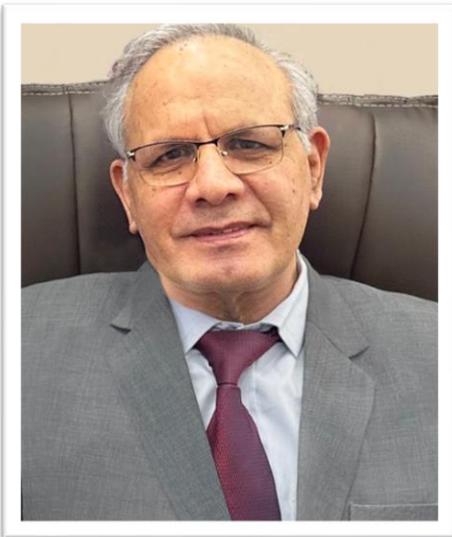
ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The attrition of Key Managerial Personnel and senior management is not high in our Company compared to the industry.

OUR PROMOTER AND PROMOTER GROUP

As on the date of this Prospectus, our Promoters hold 12,60,000 Equity Shares, representing 84.00% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters shareholding in our Company, please see “*Capital Structure*” beginning on page 67 of this Prospectus.

The details of our Promoters are as under:

<p>(i) Abhishek Kamal Kumar</p> 	<p>Mr. Abhishek Kamal Kumar, aged 42 years is the Promoter, Chairman and Managing Director of our Company. For his complete profile along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled “Our Management” on page 162 of this Prospectus.</p> <p>Date of Birth: September 11, 1980</p> <p>Nationality: Indian</p> <p>PAN: AMGPK7860A</p> <p>Residential Address: C-39, Moti Prayag Colony, Behind Anand Hospital, thana-medical, Meerut, Uttar Pradesh 250 004, India.</p> <p>Other Interests:</p> <ul style="list-style-type: none">a) C P & S Orthotics Private Limitedb) CP and S Orthotics Inc.
<p>(ii) Mr. Rajendra Kumar</p> 	<p>Mr. Rajendra Kumar, aged 75 years is the Promoter and Non-Executive Director of our Company. For his complete profile along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled “<i>Our Management</i>” on page 162 of this Prospectus.</p> <p>Date of Birth: October 14, 1947</p> <p>Nationality: Indian</p> <p>PAN: AKCPK5553G</p> <p>Residential Address: C-39, Moti Prayag Colony, Behind Anand Hospital, thana-medical, Meerut, Uttar Pradesh 250 004, India.</p> <p>Other Interests:</p> <ul style="list-style-type: none">a) CP & S Orthotics Private Limitedb) CP and S Orthotics Inc and Dayal Hosiery Private Limited

DECLARATION

1. We confirm that the Permanent Account Number, Bank Account number, Passport number, Driving License Number, Aadhaar Card number of our Promoters have been submitted to the Stock Exchange at the time of filing of the Prospectus with the Stock Exchange.
2. Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.

3. Our Promoters have not been declared as a fugitive economic offender under the provisions of Section 12 of the Fugitive Economic Offenders Act, 2018.
4. No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or is currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page 162 of this Prospectus.

INTEREST OF OUR PROMOTERS

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them or their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on pages 67, 184 and 162 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please see chapter titled “*Restated Financial Statements*” beginning on page 184 of this Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled ‘*Capital Structure*’ on page 67 of this Prospectus.

Interest of Promoters in the Property of our Company

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 101 and 184 respectively, of this Prospectus, our Promoters has confirmed that they don’t have any interest in any property acquired by our Company within three years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 101 of this Prospectus Our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoters

Except as mentioned in this chapter and chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Restated Financial Statements*” beginning on pages 101, 159, 162 and 184, respectively, our Promoters does not have any other interest in our Company.

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of his appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoter’ compensation and other details please refer to the chapter titled “*Our Management*” on page 162 of this Prospectus.

Our Promoters, Mr. Abhishek Kumar and Mr. Rajendra Kumar has extended unsecured short-term borrowing to our Company as on March 31, 2023, amounting to ₹ 70.00 and 23.00 Lakhs, respectively and may be deemed to be interested to that extent. For details, please see the “*Restated Financial Statements*” on page 184 of this Prospectus.

Our Promoters, Mr. Abhishek Kumar and Mr. Rajendra Kumar has given guarantees for the loans availed by our Company and may be deemed to be interested to that extent. For details, please see the “*Restated Financial Statements*” on page 184 of this Prospectus.

COMMON PURSUITS OF OUR PROMOTERS

Except as disclosed above, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

BUSINESS INTERESTS

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

PAYMENTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the chapter titled “*Restated Financial Statements*” beginning on page 184 of this Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Prospectus nor is there any intention to pay or give any amount or benefit to our Promoter or members of our Promoter Group.

MATERIAL GUARANTEES

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.

OUR PROMOTER GROUP

A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Name of the Promoters	Name of the Relative	Relationship with the Promoter
Mr. Abhishek Kamal Kumar	Mr. Rajendra Kumar	Father
	Ms. Kamlesh Kumar	Mother
	Ms. Bhawna Kumar	Spouse
	Ms. Ruchi Kumar	Sister
	Mr. Abhav Kumar	Son
	Ms. Shrishti Kumar (Minor)	Daughter
	Mr. Parvesh Kumar	Spouse's Father
	Ms. Shobha Rani	Spouse's Mother
	Ms. Sapna Anand	Spouse's Sister(s)
	Ms. Jyoti Kapur	
	Ms. Parul	
	Mr. Rajendra Kumar	Late. Mr. Gurmukh Singh
Late Ms. Harvansh Kaur		Mother
Ms. Kamlesh Kumar		Spouse
Mr. Kishan Bhardwaj		Brother
Ms. Shobha Manga		Sister
Mr. Abhishek Kumar		Son
Ms. Ruchi Kumar		Daughter
Late Mr. Bhagat Ram		Spouse's Father
Late Ms. Krishna Devi		Spouse's Mother
Mr. Vinod Kumar		Spouse's Brother(s)
Mr. Sanjay Kumar		
Ms. Jagjeet Kumar		
Ms. Shashi Rajput		Spouse's Sister(s)
Ms. Riya		
Ms. Usha Oberoi		

B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity/Company
1.	Dayal Hosiery Private Limited.
2.	CP & S Orthotics Private Limited.
3.	CP and S Orthotics INC.

SHAREHOLDING OF THE PROMOTERS GROUP IN OUR COMPANY

For details of shareholding of members of our Promoters Group as on the date of this Prospectus, please see the chapter titled “*Capital Structure*” beginning on page 67 of this Prospectus.

COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

OUTSTANDING LITIGATIONS

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 23 and 206 respectively of this Prospectus.

OUR GROUP COMPANY

The definition of ‘Group Companies’ as per the SEBI ICDR Regulations, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated July 07, 2023 our Group Companies includes:

- (i) Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (ii) All such companies which are deemed to be material by the Board of Directors.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, Our Board has identified Dayal Hosiery Private Limited and CP&S Orthotics Private Limited.

DETAILS OF OUR GROUP COMPANIES

A. Dayal Hosiery Private Limited

Dayal Hosiery Private Limited was incorporated on August 20, 2011 in Mumbai. The CIN is U74120MH2011PTC221109 and registered Office is situated at 201/202, 2nd Floor, Swamini Ind - III, Nanal Nagar Opp. Varun Ind, Valiv, Vasai East Thane Maharashtra 401208, India. Dayal Hosiery Private Limited is engaged in the business of designing, manufacturing, application of orthopedic fabrics, clothing or apparatus used to support, align, prevent, or correct deformities or to improve the function of movable parts that supports or corrects the function of a limb or the torso body as well as general purpose hosiery garments.

Financial Performance

As required under the SEBI ICDR Regulations, Dayal Hosiery Private Limited shall host the financial information derived from the audited financial statements for the financial years ended 2023, 2022 and 2021 on the website of our Company since Dayal Hosiery Private Limited does not have a separate website. Such financial information is available on www.cpsshapersltd.com

B. CP&S Orthotics Private Limited

CP&S Orthotics Private Limited was incorporated on May 20, 2011 in Kanpur. The CIN is U74120UP2011PTC044896 and registered Office is situated at C/39, Moti Prayag Colony Garh Road, Meerut, Uttar Pradesh - 250004, India. CP&S Orthotics Private Limited is engaged in the business of designing, manufacturing, application of orthopedic appliances, clothing or apparatus used to support, align, prevent, or correct deformities or to improve the function of movable parts that supports or corrects the function of a limb or the torso body.

Financial Performance

As required under the SEBI ICDR Regulations, CP&S Orthotics Private Limited shall host the financial information derived from the audited financial statements for the financial years ended 2023, 2022 and 2021 on the website of our Company since CP&S Orthotics Private Limited does not have a separate website. Such financial information is available on www.cpsshapersltd.com

OUTSTANDING LITIGATIONS

Other than as disclosed in “*Outstanding Litigations and Material Developments*” on page 206 of this Prospectus, our Group Companies are not party to any litigation which may have material impact on our Company.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

- Our Group Companies do not have any interest in the promotion of our Company.

- Except as disclose in section titled “*Our Properties*” under the chapter titled “*Our Business*” on page 116 of the Prospectus, our Group Companies are not interested in any property acquired by our Company in the three years preceding the filing of this Prospectus or proposed to be acquired by our Company.
- Our Group Companies are not interested in any transactions for acquisition of land, construction of building or supply of machinery.
- Our Group Company, CP&S Orthotics Private Limited has extended unsecured short-term borrowing to our Company as on March 31, 2023, amounting to ₹ 7.62 Lakhs, respectively and may be deemed to be interested to that extent. For details, please see the “*Restated Financial Statements*” on page 184 of this Prospectus.

COMMON PURSUITS BETWEEN OUR GROUP COMPANIES AND OUR COMPANY

Our Group Companies deal in similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. In addition, some of our directors are also directors on the boards of some of our group companies. These overlapping directorships could create conflicts of interest between us and the Promoters.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in “*Annexure XXVIII - Restated Financial Statements*” beginning on page 184 there are no other business transactions between our Company and the Group Companies which are significant to the financial performance of our Company.

BUSINESS INTERESTS OR OTHER INTERESTS

Except as disclosed in “*Annexure XXVIII - Restated Financial Statements*” beginning on page 184 our Group Companies do not have any business interest in our Company.

OTHER CONFIRMATIONS

Our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public or rights issue of securities in the preceding three years.

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. 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 a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

Sr No.	Particulars	Page No
1.	Restated Financial Statements	F-1 to F-33

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RESTATED FINANCIAL STATEMENTS

**Independent Auditor's Report on Restated Financial Information of CPS Shapers Limited
(Formerly Known as CPS Shapers Private Limited)
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies
(Prospectus and Allotment of Securities) Rules, 2014)**

To,
The Board of Directors
CPS Shapers Limited
(Formerly Known as CPS Shapers Private Limited)
201-204, 2nd Floor,
Swamini Industrial Estate, No 3,
Opp Varun Industries, Nanal Nagar,
Waliv, Vasai East,
Thane, Maharashtra-401208

Dear Sir/Ma'am,

1. We have examined the attached Restated Financial Information of **CPS Shapers Limited** (Formerly known as CPS Shapers Private Limited) (hereinafter referred as "the Company" or the "Issuer") comprising the Restated Statement of Assets and Liabilities of the Company as at March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Statements of Profit and Loss of the company, the Restated Cash Flow Statement of the company for the years ended on March 31, 2023, March 31, 2022, and March 31, 2021, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as "Restated Financial Statement" or "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 15th July, 2023 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") at SME Platform of NSE Limited ("NSE Emerge").
2. These restated Summary Statement 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 Financial Information for the purpose of inclusion in the Draft Prospectus/ Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the relevant Stock Exchange ("NSE Emerge") and Registrar of Companies, Maharashtra ("ROC") in connection with the proposed SME IPO. The Restated Financial Information of the company have been extracted and prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated 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 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 8th July, 2023 in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note. 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) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. This Restated Financial Information have been compiled by the management from:
 - a) Audited financial statements of the Company as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, prepared in accordance with the Indian Accounting Standards ("Indian GAAP") which have been approved by the Board of Directors at their meeting held on 28th June, 2023, 28th September, 2022 and 13th November, 2021 respectively.
6. For the purpose of our examination, we have relied on:
 - a) Auditors' Report issued by us dated 28th June, 2023, 28th September, 2022 and previous auditor's report dated 13th November, 2021 on the financial statements of the company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively, as referred in Paragraph 5(a) above.

The audit for the financial years ended March 31, 2021 was conducted by previous auditor M/s. R I Choksey & Co. (vide its Audit Report dated 13th November, 2021) and audits for the financial years ended March 31, 2023 and March 31, 2022 were conducted by us, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the

restated financial information (collectively hereinafter referred as “Restated Financial Statement” or “Restated Financial Information”) examined by us for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
 - a) The “Restated Summary Statement of Assets and Liabilities” as set out in **Annexure I** to this report, of the Company as at and for years ended on March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
 - b) The “Restated Summary Statement of Profit and Loss” as set out in **Annexure II** to this report, of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
 - c) The “Restated Summary Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated 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 to this Report.
 - d) The Restated Standalone 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 prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
 - f) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
 - g) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the years ended March 31, 2023 and March 31, 2022. There was qualification in relation to the Provision for Gratuity as per Actuarial Valuation in accordance with AS-15 for the period ended on March 31, 2021, for which necessary adjustments has been made in this Restated Financial Statements of the Company;
 - h) 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 Polices and Notes to Accounts as set out in Annexure IV to this report;

- i) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Summary Statements
 - j) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
 - k) 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 years ended March 31, 2023 March 31, 2022 and March 31, 2021 proposed to be included in the Draft Prospectus/ Prospectus.

Annexure No.	Particulars
I	Restated Statement of Assets & Liabilities
II	Restated Statement of Profit & Loss
III	Restated Cash Flow Statement
IV (A)	Statement of Significant Accounting Policies & Notes
IV (B)	Reconciliation of Restated Profit
IV (C)	Reconciliation of Restated Equity/ Net Worth
V	Restated Statement of Share Capital
VI	Restated Statement of Reserves & Surplus
VII	Restated Statement of Long/Short -Term Borrowings
VIII	Restated Statement of Long-Term Provisions
IX	Restated Statement of Trade Payable
X	Restated Statement of Other Current Liabilities
XI	Restated Statement of Short-Term Provisions
XII	Restated Statement of Tangible Assets
XIII	Restated Statement of Deferred tax Liabilities/ Assets
XIV	Restated Statement of Long-Term Loans and Advances
XV	Restated Statement of Inventories
XVI	Restated Statement of Trade Receivable
XVII	Restated Statement of Cash & Cash Equivalents
XVIII	Restated Statement of Short-Term Loans and Advances
XIX	Restated Statement of Other Current Assets
XX	Restated Statement of Revenue from operations
XXI	Restated Statement of Other Income
XXII	Restated Statement of Cost of Material Consumed
XXIII	Restated Statement of Changes in Inventories
XXIV	Restated Statement of Employees Benefit Expenses
XXV	Restated Statement of Financial Cost
XXVI	Restated Statement of Other Expenses
XXVII	Restated Standalone Statement of Financial Ratio
XXVIII	Restated Statement of Related Parties Transactions
XXIX	Statement of Capitalization, As Restated
XXX	Statement of Tax Shelter, As Restated
XXXI	Statement of Contingent Liabilities & Commitments, As Restated
XXXII	Statement of Other Financial Information, As Restated

9. We, M/s. Vinay Bhushan & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till 30th June, 2026.

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 Draft Prospectus/ Prospectus to be filed with Securities and Exchange Board of India (“SEBI”), the relevant stock exchange (“NSE Emerge”) and Registrar of Companies, Maharashtra (“ROC”) in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s. Vinay Bhushan & Associates
Chartered Accountants
Firm’s Reg No. 130529W

CA. Vinay Bhushan
Partner
Membership No. 502632

Place: Mumbai
Date: 15th July, 2023
UDIN: 23502632BGXNQV6399

CPS SHAPERS LIMITED
(FORMERLY KNOWN AS CPS SHAPERS PRIVATE LIMITED)

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

Particulars	Annexure	As at	As at	As at
		March 31, 2023	March 31, 2022	March 31, 2021
		(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	V	50.00	50.00	50.00
(b) Reserves and surplus	VI	125.12	(120.97)	(278.03)
		175.12	(70.97)	(228.03)
Non-current liabilities				
(a) Long-term Borrowings	VIIIA	571.19	489.15	404.34
(b) Deferred tax liabilities (net)	XIII	15.99	-	-
(c) Long term provisions	VIII	34.97	33.29	26.25
		622.15	522.44	430.59
Current liabilities				
(a) Short term borrowings	VIIIA	472.47	446.43	543.23
(b) Trade payables	IX			
(i) total outstanding dues of micro and small enterprises		199.44	165.22	-
(ii) total outstanding dues of creditors other than micro and small enterprises		167.13	147.22	309.89
(c) Other current liabilities	X	82.02	52.61	40.06
(d) Short-term provisions	XI	32.87	12.54	6.28
		953.93	824.02	899.46
TOTAL		1,751.20	1,275.48	1,102.02
ASSETS				
Non-current assets				
(a) Property, plant and equipment	XII	357.86	279.93	202.09
(b) Intangibles	XII	2.48	3.70	5.33
(c) Deferred tax assets (net)	XIII	-	55.52	21.83
(d) Long-term loans and advances	XIV	10.07	24.20	13.82
		370.41	363.35	243.07
Current assets				
(a) Inventories	XV	911.37	550.27	551.57
(b) Trade receivables	XVI	258.52	263.26	221.69
(c) Cash and bank balance	XVII	20.03	20.47	27.26
(d) Short-term loans and advances	XVIII	190.87	78.13	45.86
(e) Other Current Assets	XIX	-	-	12.57
		1,380.79	912.13	858.95
TOTAL		1,751.20	1,275.48	1,102.02

CPS SHAPERS LIMITED
(FORMERLY KNOWN AS CPS SHAPERS PRIVATE LIMITED)

ANNEXURE- II

RESTATED STATEMENT OF PROFIT AND LOSS

Particulars	Annexure	For the year ended	For the year ended	For the year ended
		March 31, 2023	March 31, 2022	March 31, 2021
		(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Income				
Revenue from operations	XX	3,681.45	2,668.35	1,439.12
Other income	XXI	14.71	0.49	2.59
TOTAL INCOME		3,696.16	2,668.84	1,441.71
Expenses				
(a) Cost of Material Consumed	XXII	1,915.79	1,259.19	468.79
(b) Increase/Decrease in Stock in trade	XXIII	(401.95)	49.72	77.58
(c) Employee benefits expense	XXIV	692.90	555.19	360.86
(d) Finance costs	XXV	98.99	85.62	106.03
(e) Depreciation and amortisation expense	XII	51.72	30.55	30.87
(f) Other expenses	XXVI	993.50	565.21	360.95
TOTAL EXPENSES		3,350.95	2,545.48	1,405.08
Profit / (Loss) before tax		345.22	123.37	36.63
Tax expenses:				
(a) Current tax expense		27.62	-	-
(b) Earlier year Tax		-	-	-
(c) Deferred tax expense / (benefit)		71.51	(33.69)	(1.42)
Net tax expense/(benefit)		99.13	(33.69)	(1.42)
Profit / (Loss) for the year		246.09	157.06	38.05
Earnings per share (of Rs. 10 each)				
(a) Basic & Diluted		16.41	10.47	2.54

CPS SHAPERS LIMITED
(FORMERLY KNOWN AS CPS SHAPERS PRIVATE LIMITED)

ANNEXURE- III

RESTATED CASH FLOW STATEMENT

Particulars	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)	As at March 31, 2021 (Rs. in lakhs)
A Cash flow from operating activities:			
Net profit before tax	345.22	123.37	36.63
Adjustments:			
Depreciation & Amortisation	51.72	30.55	30.87
Interest Income	(0.52)	-	(0.41)
Profit on sale of Fixed Assets	(6.06)	-	-
Finance cost	98.99	85.62	106.03
Provision for Gratuity	5.82	12.43	(7.24)
	149.95	128.60	129.25
Operating cash flow before working capital changes	495.17	251.97	165.88
<u>Movement in working capital</u>			
I. Adjustments for (Increase)/decrease in operating assets :			
Trade receivables	4.74	(41.57)	(100.71)
Inventories	(361.10)	1.30	25.81
Short-term loans & advance	(112.74)	(32.27)	(7.77)
Other Current Assets	-	12.57	(7.06)
Long term loans & advance	-	-	0.70
II. Adjustments for (Increase)/decrease in operating liabilities :			
Trade payables	54.13	2.55	28.04
Other current liabilities	29.41	12.55	2.87
Provisions	(0.04)	0.87	-
	(385.60)	(44.00)	(58.12)
Cash generated from operations	109.57	207.98	107.76
Net income taxes paid	2.74	(10.38)	(2.30)
Net cash (used in) / provided by oprating activities (A)	112.31	197.59	105.46
B Cash flows from investing activities:			
Purchase of fixed assets & including intangible assets	(132.20)	(106.76)	(9.94)
Sale of Fixed Assets	9.83	-	-
Interest Received	-	-	0.41
	(122.37)	(106.76)	(9.53)
Net cash provided by / (used in) investing activities (B)			
C Cash flows from Financing activities:			
Proceeds from Long Term Borrowings	82.04	84.81	20.90
Proceeds from/(Repayment) of Short Term Borrowings	26.04	(96.80)	(2.41)
Interest Income	0.52	-	-
Interest paid	(98.99)	(85.62)	(106.03)
Net cash flow from/ (used in) financing activities (C)	9.62	(97.62)	(87.54)
Net increase / (decrease) in cash & cash equivalents (A+B+C)	(0.44)	(6.79)	8.39
Cash & cash equivalents as at the beginning of the year	20.47	27.26	18.87
Cash & cash equivalents as at the end of the year	20.03	20.47	27.26
Notes to Cash Flow Statement			
1 Component of cash and cash equivalent :			
- Cash in hand	8.97	15.85	20.41
- Balance with Bank	11.06	4.62	6.85
	20.03	20.47	27.26

ANNEXURE IV (A)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS

1 COMPANY INFORMATION

CPS Shapers Limited (Formerly Known as CPS Shapers Private Limited) was incorporated on 1 June, 2012 and having its registered office at 201-204, 2nd Floor Swamini Industrial Estate, No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai East Thane, Maharashtra 401208. The Company is primarily engaged in the business manufacturing of compressed garments. The Company has been converted from Private Limited Company to Public Limited Company vide necessary resolution passed by shareholders and the name of company is this day changed to **CPS Shapers Limited** pursuant to issuance of Fresh Certificate of Incorporation on 20.06.2023. Now, the CIN is **U18109MH2012PLC231749**.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The Restated Summary Statement of Assets and Liabilities of the Company as at March 31, 2023, March 31, 2022 and March 31, 2021 and the related Restated Summary Statement of Profit and Losses and Cash Flows Statement for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 have been complied by management from the financial statements of the company for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021.

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified to in section 133 of the Companies Act 2013, read with rule 7 of the Companies (Account) Rules, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented as per schedule III to Companies Act, 2013

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Revenue Recognition

The Company follows the accrual method of accounting and all claims, receivable and liabilities are provided on that basis. All revenue is recognized on accrual basis except non-recruiting income is accounted otherwise.

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales excludes Goods & Service Tax

Revenue from sale of services is recognized net of goods and service tax and as and when the services are rendered.

Interest incomes/expenses are recognised using the time proportion method based on the rates implicit in the transaction

d) Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

e) **Depreciation**

i. **Property, Plant & Equipment**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the written down value method as per the useful lives as prescribed in Schedule II to the Companies Act, 2013.

Assets	Estimated uselives
Plant & Machinery	15 Years
Furniture & Fixtures	10 Years
Factory Premises (Owned)	30 Years
Office Equipment	5 Years
Computers	
End User Eq. (Laptop, PC)	3 Years
Server & Network	6 Years
Motor Vehicles	8 Years

ii. **Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible Assets are amortized on straight line basis over a period of five years being the estimated useful life.

Intangible asset are recognised as per Accounting Standard 26 Intangible Asset.

An intangible asset is recognised if and only if

- (a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and
- (b) the cost of the asset can be measured reliably.

f) **Inventories**

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is generally determined on weighted average basis except for inventory segregated for a specific order / project, in which case it is valued at their specific costs of purchase. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

g) **Foreign currency transactions**

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

h) **Employee benefits**

Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, leave encashment, incentives etc. and the same are recognised in the period in which the employee renders the related service.

Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity (unfunded), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

i) Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

j) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

k) Borrowing costs

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

l) Earnings per Share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares, if any.

m) Impairment of assets

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

n) Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

o) Changes in Accounting Policies in the Periods/ Years Covered in the Restated Financials

There is only change in Significant Accounting Policies which needs to be adjusted in the Restated Summary Statements includes the impact of provision of gratuity made on actuarial valuation basis report.

ANNEXURE- IV (B)

RECONCILIATION OF RESTATED PROFIT

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Net Profit/ (loss) after tax as per audited statement of Profit & Loss	246.09	164.29	30.82
Adjustments for:			
(Increase)/ Decrease in Expenses			
Excess/ (Short) Provision for Tax	-	-	-
Excess/ (Short) Provision for Gratuity	-	(7.23)	7.23
Deferred Tax (Liability)/ Assets Adjustment			
Net Profit/ (loss) after tax as Restated	246.09	157.06	38.05

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective periods.

Adjustments having impact on Profit:

Notes:

The Company has not provided for the Provisioning of Gratuity for the year ended on 31.03.2021 as per Actuarial Valuation, and in Restated Financial Statements as per AS-15 and as per the Actuarial Valuation, the effect of the Provisions on Gratuity has been taken by adjusting the opening Reserve & Surplus.

In Restated Financials of Financial Year 2020-21, 2021-22 and 2022-23, the Company has provided for the Gratuity provision in the respective year to which it relates. The Actuarial Valuation Report has been taken into account while providing for the same.

To give Explanatory Notes regarding Adjustments

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

ANNEXURE- IV (C)

RECONCILIATION OF RESTATED EQUITY/ NETWORTH

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Equity/Networth as per audited financial Statements	175.12	(70.97)	235.27
Adjustments for:			
Differences pertaining to changes in Profit/(Loss) due to Restated Effect for the period covered in Restated Financials	-	-	(7.23)
Equity/Networth as Restated	175.12	(70.97)	228.03

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective periods.

To give Explanatory Notes regarding Adjustments

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

NOTES TO THE RESTATED FINANCIAL INFORMATION
ANNEXURE- V
DETAILS OF SHARE CAPITAL AS RESTATED

1. Statement of Share Capital:

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)
Authorised Capital						
Equity shares of Rs.10/- each with voting rights	50,00,000	500	5,00,000	50	5,00,000	50
Total	50,00,000	500	5,00,000	50	5,00,000	50
Issued, Subscribed and fully paid up						
Equity shares of Rs.10/- each with voting rights	5,00,000	50	5,00,000	50	5,00,000	50
Total	5,00,000	50	5,00,000	50	5,00,000	50

Terms/rights attached to equity share:

- As on date of report the company has only one class of equity shares.
- During the F.Y. 2022-23, the Company has increased its authorised share capital from 5,00,000 shares to 50,00,000 shares vide a resolution passed at EGM of the Company held at registered office of the Company on 13th January, 2023.

2. Reconciliation of the number of Shares outstanding at the beginning and at the end of the Period

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
At the beginning of the Period	5,00,000	5,00,000	5,00,000
Additional Shares due to change in Face Value	-	-	-
Issued during the year	-	-	-
Redeemed or brought back during the year	-	-	-
Total	5,00,000	5,00,000	5,00,000

3. Details of shareholders holding more than 5% shares in the Company (in terms of No. of Shares)

Class of shares / Name of shareholder	Year ended on March 31, 2023		Year ended on March 31, 2022		Year ended on March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Mr. Rajendra Kumar	40,000	8.00	1,60,000	32.00	1,60,000	32.00
Mr. Abhishek Kumar	3,80,000	76.00	1,30,000	26.00	1,30,000	26.00
Mrs. Kamlesh Kumar	40,000	8.00	79,900	15.98	79,900	15.98
Mrs. Bhavana Kumar	37,000	7.40	-	-	-	-
Dayal Hosiery Pvt Ltd	-	-	80,000	16.00	80,000	16.00
C P & S Orthotics Pvt Ltd	-	-	50,000	10.00	50,000	10.00
Total	4,97,000	99.40	4,99,900	99.98	4,99,900	99.98

4. Shares held by promoters at the end of the year 31st March 2023

Name of promoters	Year Ending on March 31, 2023			Year Ending on March 31, 2022		
	No. of Share	% of Total Share	% Change during the year	No. of Share	% of Total Share	% Change during the year
Equity shares with voting rights						
Mr. Rajendra Kumar	40,000	8.00%	-75.00%	1,60,000	32.00%	-
Mr. Abhishek Kumar	3,80,000	76.00%	192.31%	1,30,000	26.00%	-

5. Shares held by promoters at the end of the year 31st March 2022

Name of promoters	Year Ending on March 31, 2022			Year Ending on March 31, 2021		
	No. of Share	% of Total Share	% Change during the year	No. of Share	% of Total Share	% Change during the year
Equity shares with voting rights						
Mr. Rajendra Kumar	1,60,000	32.00%	-	1,60,000	32.00%	-
Mr. Abhishek Kumar	1,30,000	26.00%	-	1,30,000	26.00%	-

Terms & Rights attached to Equity Shares

The Company has issued one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors 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.

Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- VI

DETAILS OF RESERVES & SURPLUS AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Surplus / (Deficit) in Statement of Profit and Loss			
Balance at the beginning of the period	(120.97)	(278.03)	(316.09)
Add: Profit / (Loss) of the period	246.10	157.06	38.05
Balance at the end of the period	125.13	(120.97)	(278.04)

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- VIIIA

DETAILS OF LONG/ SHORT TERM BORROWINGS AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
LONG TERM BORROWINGS			
<u>Secured Loans</u>			
Term loans			
From Banks	118.32	158.63	71.38
From Financial Institutions	12.54	16.40	-
<u>Unsecured Loan</u>			
From Financial Institutions (Others)	88.50	30.26	44.95
From Banks	132.48	-	14.53
From Directors	138.60	161.79	156.00
From Members	-	35.00	35.00
Inter Corporate Deposits	13.60	7.83	3.23
Deposit from Distributors	67.14	79.25	79.25
Total	571.18	489.16	404.34
SHORT TERM BORROWINGS			
Cash credit from banks (Secured)	391.99	403.36	480.24
Current Maturities of Long Term Liabilites	80.49	43.07	63.00
Total	472.48	446.43	543.24

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- VIII

DETAILS OF LONG TERM PROVISIONS AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Provision for employee benefits:			
- Gratuity	34.97	33.29	26.25
Total	34.97	33.29	26.25

Notes:

1. The Provisioning for Gratuity has been taken into account based on the Actuarial Valuer Report.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- VIIB

NATURE OF SECURITY & TERMS OF REPAYMENT FOR LONG/ SHORT TERM BORROWINGS INCLUDING CURRENT MATURITIES

(Rs. in lakhs)

S. No.	Lender	Type	Nature of Facility	Loan	Amount Outstanding as at March 31, 2023	Rate of Interest	Repayment Terms	Security/Principal Terms & Condition
1	Axis Bank (965)	Long Term	Term Loan	30.00	28.53	1 year MCLR 8.8% p.a. + Spread 6.7% p.a.= 15.50% p.a.	Repayable in 36 months	Unsecured Business Loan
2	Axis Bank	Long Term	Vehicle Loan	19.00	15.38	7.50%	Repayable in 60 months	Auto Loan taken for Purchase of New Vehicle (Jeep- Compass)
3	Axis Bank	Long Term	Vehicle Loan	6.00	5.69	1 year MCLR 8.8% p.a. + Spread 0.15% p.a.= 8.95% p.a.	Repayable in 36 months	Auto Loan taken for Purchase of New Vehicle (Venue Car- U.P.)
4	Axis Bank	Long Term	Vehicle Loan	8.70	7.14	1 year MCLR 8.05% p.a. + Spread 0.45% p.a.= 8.50% p.a.	Repayable in 36 months	Auto Loan taken for Purchase of New Vehicle (Venue Car- Vasai)
5	Bajaj Finance Limited	Long Term	Term Loan	28.06	28.06	16.00%	Repayable in 36 months	Unsecured Business Loan
6	Bank of India (0047)	Short Term	Cash Credit	450.00	391.99	@.65% above RBLR (6.85) presently 7.50% p.a.	Repayable in 48 months	<p>Primary Security: 1. Hypothecation of all stocks of Raw Material, semi-finished goods and finished goods, packing material etc. 2. Hypothecation of all book debts. 3. hypothecation of Machineries 4. Pledge of R.D. Account</p> <p>Collateral Security: 5. Extension of EQM a) Gala No. 201 & 202 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of M/s. CPS Orthotics Inc. (Partnership Firm) b) EQM Gala No. 203 & 204 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of Company. c) EQM of Residential unit situated at Home No. C-39, Moti Prayag Colony, Village- Rasna, Garth Road, Merrut in the name of Abhishek kamal Kumar & Mrs. Bhawana Kumar. d) Residual Value of flat no. 711 & 712, I-Wing, 7th Floor, Gagan Marvel CHSL, Gagan Dream Complex Achole, Vasant Nagari, Vasai (E) Thane in name of Mr. Abhishek kamal kumar, Mrs. Bhawana kumar, Mr. Rajendra Kumar & Mrs. Kamlesh Kumar. Beyond above Personal Gurantee of Shareholder & Director has given.</p>

S. No.	Lender	Type	Nature of Facility	Loan	Amount Outstanding as at March 31, 2023	Rate of Interest	Repayment Terms	Security/Principal Terms & Condition
7	Bank of India (0047)	Short Term	Working Capital Loan	46.00	24.71	@.65% above RBLR (6.85) presently 7.50% p.a.	Repayable in 48 months	<p>Primary Security: 1. Hypothecation of all stocks of Raw Material, semi-finished goods and finished goods, packing material etc. 2. Hypothecation of all book debts. 3. hypothecation of Machineries 4. Pledge of R.D. Account</p> <p>Collateral Security: 5. Extension of EQM a) Gala No. 201 & 202 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of M/s. CPS Orthotics Inc. (Partnership Firm) b) EQM Gala No. 203 & 204 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of Company. c) EQM of Residential unit situated at Home No. C-39, Moti Prayag Colony, Village- Rasna, Garth Road, Merrut in the name of Abhishek kamal Kumar & Mrs. Bhawana Kumar. d) Residual Value of flat no. 711 & 712, I-Wing, 7th Floor, Gagan Marvel CHSL, Gagan Dream Complex Achole, Vasant Nagari, Vasai (E) Thane in name of Mr. Abhishek kamal kumar, Mrs. Bhawana kumar, Mr. Rajendra Kumar & Mrs. Kamlesh Kumar. Beyond above Personal Gurantee of Shareholder & Director has given.</p>
8	Bank of India (0053)	Short Term	Working Capital Term Loan	90.00	81.66	@.65% above RBLR (6.85) presently 7.50% p.a.	Repayable in 48 months	<p>Primary Security: 1. Hypothecation of all stocks of Raw Material, semi-finished goods and finished goods, packing material etc. 2. Hypothecation of all book debts. 3. hypothecation of Machineries 4. Pledge of R.D. Account</p> <p>Collateral Security: 5. Extension of EQM a) Gala No. 201 & 202 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of M/s. CPS Orthotics Inc. (Partnership Firm) b) EQM Gala No. 203 & 204 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of Company. c) EQM of Residential unit situated at Home No. C-39, Moti Prayag Colony, Village- Rasna, Garth Road, Merrut in the name of Abhishek kamal Kumar & Mrs. Bhawana Kumar. d) Residual Value of flat no. 711 & 712, I-Wing, 7th Floor, Gagan Marvel CHSL, Gagan Dream Complex Achole, Vasant Nagari, Vasai (E) Thane in name of Mr. Abhishek kamal kumar, Mrs. Bhawana kumar, Mr. Rajendra Kumar & Mrs. Kamlesh Kumar. Beyond above Personal Gurantee of Shareholder & Director has given.</p>
9	Fedbank Financial Services Limited	Long Term	Term Loan	30.15	30.15	15.75%	Repayable in 36 months	Unsecured Business Loan
10	Fullerton India Credit Co. Limited (8941)	Long Term	Term Loan	5.00	2.62	14.00%	Repayable in 48 months	Unsecured Business Loan
11	HDFC Bank	Long Term	Term Loan	30.17	29.71	15.00%	Repayable in 48 months	Unsecured Business Loan

S. No.	Lender	Type	Nature of Facility	Loan	Amount Outstanding as at March 31, 2023	Rate of Interest	Repayment Terms	Security/Principal Terms & Condition
12	ICICI Bank	Long Term	Term Loan	40.00	40.00	16.00%	Repayable in 36 months	Unsecured Business Loan
13	IDBI Bank (0648)	Long Term	Term Loan	30.00	12.50	MCLR+3.45% p.a. i.e. 12.50% p.a.	Repayable in 60 months	Primary Security: Equitable Mortgage of following Immovable property: 1. Commercial/Residential property bearing nagar Nigam No 31 admeasuring 250.83 Sq Meters consisting on Khasra number 29 situated at Mayur Vihar Colony Revenue Village Kamalpur Pargana Tehsil and Distt. Meerut, in the State of Uttar Pradesh – belonging to CPS Shapers pvt Ltd through Mr. Rajendra Kumar S/o Gurmukh Singh. Beyond above Personal Gurantee of Shareholder & Director has given.
14	IDFC First Capital Bank	Long Term	Term Loan	37.94	1.09	16.50%	Repayable in 45 months	Unsecured Business Loan
15	Indusind Bank (6036)	Long Term	Term Loan	35.00	34.25	16.00%	Repayable in 36 months	Unsecured Business Loan
16	Indusind Bank	Long Term	Vehicle Loan	7.08	6.31	11.58%	Repayable in 36 months	Auto Loan taken for Purchase of New Vehicle (Bolero)
17	Unity Small Finance Bank Limited	Long Term	Term Loan	40.8	40.80	17.00%	Repayable in 36 months	Unsecured Business Loan
18	Tata Capital Financial Services Limited	Long Term	Term Loan	31.48	0.12	16.75%	Repayable in 43 months	Unsecured Business Loan
19	Tata Capital Financial Services Limited	Long Term	Term Loan	35.00	26.89	16.00%	Repayable in 36 months	Unsecured Business Loan
20	Toyota Financial Services India limited	Long Term	Vehicle Loan	22.15	16.74	8.51%	Repayable in 60 months	Loan taken for Purchase of New Vehicle (Innova Car)

ANNEXURE- IX

DETAILS OF TRADE PAYABLES AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Other than Acceptances			
total outstanding dues of micro and small enterprises	199.44	165.22	-
total outstanding dues of creditors other than micro and small enterprises	167.13	147.22	309.89
Total	366.57	312.44	309.89

a. Unbilled

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Unbilled - Other (Provision)	2.56	2.03	2.13
	2.56	2.03	2.13

Trade payable Ageing as Outstanding for following period from due date of payment

31st March, 2023

(Rs. in lakhs)

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	199.44	-	-	-	199.44
- Other	158.44	1.73	0.09	4.31	164.57
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
Total	357.88	1.73	0.09	4.31	364.01

31st March, 2022

(Rs. in lakhs)

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro and small enterprises (MSME)	165.22	-	-	-	165.22
- Other	118.16	0.62	26.41	-	145.18
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
Total	283.39	0.62	26.41	-	310.41

31st March, 2021

(Rs. in lakhs)

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro and small enterprises (MSME)	-	-	-	-	-
- Other	270.96	36.80	-	-	307.76
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
Total	270.96	36.80	-	-	307.76

Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- X

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

Particulars	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Statutory Dues:			
TDS Payable	6.41	8.65	1.72
TCS Payable	0.17	0.16	0.12
ESIC Payable	0.41	0.58	0.94
Profession Tax Payable	0.06	0.05	0.06
Provident Fund Payable	2.06	2.17	2.18
Provision for Equalisation Levy	0.40	-	-
Salary Payable	42.76	41.00	32.25
Power and fuel payable	1.74	-	-
Interest accrued but not due	1.65	-	-
Advances from Customers	26.36	-	-
Creditors for Fixed Assets	-	-	2.79
Total	82.02	52.61	40.06

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XI

DETAILS OF SHORT TERM PROVISIONS AS RESTATED

Particulars	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Provision for Taxation	19.01	2.78	2.78
Provision for Employment Benefits			
Gratuity	4.92	4.52	3.50
Leave Encashment	8.94	5.24	-
Total	32.87	12.54	6.28

Notes:

1. Provision for Income Tax have been adjusted against the Advance Tax, TDS & TCS Receivables, if any.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XII

RECONCILIATION OF RESTATED TANGIBLE ASSETS

(Rs. in lakhs)

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2023	Balance as at March 31, 2023	Balance as at March 31, 2022
(a) Factory Land	63.11	42.98	-	106.09	-	-	-	-	106.09	63.11
(b) Plant and Equipment	133.36	30.14	3.75	159.75	79.81	11.79	2.80	88.81	70.93	53.55
(c) Furniture and Fixtures	56.88	4.50	-	61.38	45.20	2.56	-	47.76	13.61	11.67
(d) Building	149.42	-	-	149.42	56.28	8.85	-	65.13	84.29	93.14
(d) Office Equipment	37.44	9.91	0.21	47.14	30.91	4.05	0.20	34.76	12.38	6.53
(e) Computers	19.44	4.55	-	23.99	18.92	2.97	-	21.89	2.10	0.52
(f) Vehicles	87.45	40.11	15.72	111.84	36.04	20.27	12.92	43.39	68.45	51.41
Total	547.10	132.19	19.68	659.61	267.16	50.49	15.92	301.74	357.85	279.93

Intangibles (Rs. in lakhs)

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2023	Balance as at March 31, 2023	Balance as at March 31, 2022
(a) Computer Software	29.85	-	-	29.85	26.15	1.22	-	27.37	2.48	3.70
Total	29.85	-	-	29.85	26.15	1.22	-	27.37	2.48	3.70
Grand Total	576.95	132.19	19.68	689.46	293.31	51.71	15.92	329.11	360.33	283.63

Previous year 2021-22

(Rs. in lakhs)

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2022	Balance as at March 31, 2022	Balance as at March 31, 2021
(a) Factory Land	63.11	-	-	63.11	-	-	-	-	63.11	63.11
(b) Plant and Equipment	114.21	19.15	-	133.36	71.21	8.60	-	79.81	53.55	43.00
(c) Furniture and Fixtures	52.20	4.68	-	56.88	42.40	2.80	-	45.20	11.67	9.80
(d) Building	120.63	28.78	-	149.42	48.77	7.51	-	56.28	93.14	71.87
(d) Office Equipment	32.48	4.96	-	37.44	28.57	2.33	-	30.91	6.53	3.90
(e) Computers	18.93	0.51	-	19.44	18.38	0.53	-	18.92	0.52	0.55
(f) Vehicles	38.77	48.68	-	87.45	28.90	7.14	-	36.04	51.41	9.88
Total	440.33	106.76	-	547.09	238.24	28.92	-	267.16	279.93	202.09

(Rs. in lakhs)

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2022	Balance as at March 31, 2022	Balance as at March 31, 2021
(a) Computer Software	29.85	-	-	29.85	24.53	1.62	-	26.15	3.70	5.33
Total	29.85	-	-	29.85	24.53	1.62	-	26.15	3.70	5.33
Grand Total	470.18	106.76	-	576.94	262.76	30.55	-	293.31	283.64	207.42

ANNEXURE- XIII

DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<u>Tax effect of items constituting Deferred tax liabilities</u>			
On difference between book balance and tax balance of property, plant and equipment	18.48	8.39	-
	18.48	8.39	-
<u>Tax effects of items Constituting Deferred Tax Asset</u>			
On difference between book balance and tax balance of property, plant and equipment		-	12.22
Unabsorbed tax losses & Depreciation		62.60	-
Provision for doubtful trade receivables	-	-	-
Disallowances u/s 40(a)(ia), 43B, 40(A)(7) of the Income Tax Act, 1961	2.50	1.31	9.62
	2.50	63.91	21.84
Net deferred tax asset / (liability)	(15.98)	55.52	21.84

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XIV

DETAILS OF LONG TERM LOANS AND ADVANCES AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Income Tax Assets	10.07	24.20	13.82
Total	10.07	24.20	13.82

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XV
DETAILS OF INVENTORIES AS RESTATED

Particulars	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Raw Materials	198.20	239.05	190.63
Work in Progress/Semi Finished Goods	93.21	9.99	46.25
Finished Goods (includes in transit)	619.97	301.23	314.68
Total	911.38	550.27	551.56

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XVI
DETAILS OF TRADE RECEIVABLES AS RESTATED

Particulars	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(Unsecured, considered good unless otherwise stated)			
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
Considered good	20.25	3.37	5.42
Considered doubtful	-	-	-
	20.25	3.37	5.42
Less: Provision for doubtful trade receivables	-	-	-
	20.25	3.37	5.42
(b) Other Trade receivables	238.27	259.89	216.26
Total	258.52	263.26	221.68

Notes: Trade Receivable Ageing Schedule

Particulars	Less than 6 Months	6 Months to 1 year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
31st March,2023						
(a) Undisputed Trade receivables-						
Considered good	237.87	18.56	0.12	0.01	1.56	258.12
Considered doubtful	-	-	-	-	-	-
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
Total	237.87	18.56	0.12	0.01		258.12
31st March,2022						
(a) Undisputed Trade receivables-						
Considered good	259.89	0.51	0.20	2.66	-	263.26
Considered doubtful	-	-	-	-	-	-
	259.89	0.51	0.20	2.66		263.26
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
Total	259.89	0.51	0.20	2.66	-	263.26
31st March,2021						
(a) Undisputed Trade receivables-						
Considered good	216.26	0.20	5.23	-	-	221.68
Considered doubtful	-	-	-	-	-	-
	216.26	0.20	5.23	-		221.68
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
Total	216.26	0.20	5.23	-	-	221.68

Notes:

1. As per the view of the management of the company there is no doubtful debt & hence provision for doubtful debt has not been made.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XVII

DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
A. Cash and cash equivalents			
(a) Cash on hand	8.97	15.85	20.41
(b) Balances with banks			
(i) In current accounts	11.06	4.62	6.85
Total - Cash and cash equivalents (A)	20.03	20.47	27.26
B. Other bank balances			
(i) In other deposit accounts			
- original maturity more than 3 months	-	-	-
Total - Other bank balances (B)	-	-	-
Total	20.03	20.47	27.26

Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XVIII

DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(Unsecured, considered good unless otherwise stated)			
Security Deposits	2.73	0.41	0.41
Prepaid expenses	7.12	3.86	3.86
Loans to employees	8.21	5.35	3.47
Advance to Suppliers	40.59	1.00	3.23
GST Receivable	120.02	15.50	28.34
Balance with statutory/government authorities	5.34	45.51	5.54
Others	6.86	6.49	1.01
Total	190.87	78.12	45.86

Notes:

- No Securities have been taken by the company against the advances given to the suppliers.
- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XIX

DETAILS OF OTHER CURRENT ASSETS AS RESTATED

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Others	-	-	12.57
Total	-	-	12.57

Notes:

- The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XX

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Revenue from Sale of products	3,681.45	2,668.35	1,439.12
Total	3,681.45	2,668.35	1,439.12

Revenue from Sale of products

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Domestic Sales	3,594.63	2,668.35	1,439.12
Foreign Sales	86.82	-	-
Total	3,681.45	2,668.35	1,439.12

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXI

DETAILS OF OTHER INCOME AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Discount Received	0.49	0.49	0.01
Interest on Income Tax Refund	0.52	-	0.41
Amounts no more payable	-	-	2.16
Net Gain on Foreign Currency transaction and translation	3.58	-	-
Miscellaneous Income	10.12	-	0.02
Total	14.71	0.49	2.60

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXII

DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Inventory at the beginning of the year	239.05	190.63	138.86
Add : Purchases	1,874.93	1,307.61	520.57
	2,113.98	1,498.24	659.43
Less : Inventory at the end of the year	198.20	239.05	190.63
Cost of material Consumed	1,915.78	1,259.19	468.80

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXIII

DETAILS OF CHANGE IN INVENTORIES OF WIP & FINISHED GOODS AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Inventories at the end of the year			
- Semi Finished Goods	93.21	9.99	46.25
- Finished Goods	619.97	301.23	314.68
	713.18	311.22	360.93
Inventories at the beginning of the year			
- Semi Finished Goods	9.99	46.25	211.05
- Finished Goods	301.23	314.68	227.46
	311.22	360.93	438.51
Net (increase)/decrease	-401.96	49.71	77.58

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXIV

DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Salaries and wages	589.23	463.39	285.72
Contribution to provident and other funds	19.46	15.19	14.92
Managerial Remuneration	55.80	46.80	30.00
Gratuity Expenses	5.82	12.43	18.16
Staff welfare expenses	22.58	17.38	12.07
Total	692.89	555.19	360.87

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXV

DETAILS OF FINANCE COST AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Bank Charges	2.69	1.10	3.19
Interest expense on:			-
- Borrowings	95.21	83.72	102.03
- Delayed payment of statutory dues	1.10	0.79	0.80
Total	99.00	85.61	106.02

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXVI

DETAILS OF OTHER EXPENSES AS RESTATED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Power and fuel	32.39	25.12	19.29
Rent	7.40	4.72	2.67
Insurance	5.19	4.66	3.21
Factory Expenses	0.51	0.97	1.79
Repairs and maintenance	42.22	26.62	11.94
Advertisement & Sales Promotion	78.67	13.11	11.52
Travelling and conveyance	53.45	27.96	15.68
Communication costs	3.26	3.21	3.96
Printing & Stationery	1.48	1.62	2.23
Postage & Courier	0.01	0.09	0.33
Discount Allowed	63.04	48.96	29.06
Commission & Other Expenses (Online Sales)	501.51	315.31	209.67
Delivery Related Expenses	138.98	57.37	24.71
Membership & Subscription	11.15	3.91	3.10
Security Charges	2.53	1.30	1.42
Vehicle Expenses	11.39	6.00	3.47
Rates & Taxes	10.22	7.96	8.38
Legal and professional fees	19.25	10.81	2.77
Payment to auditor (Refer Note (i) below)	3.35	2.25	4.17
Fines and Penalties	1.48	-	-
Miscellaneous expenses	6.01	3.28	1.57
Total	993.49	565.23	360.94

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXVII

RESTATED STANDALONE STATEMENT OF FINANCIAL RATIO

Sr. No.	Ratios	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	Current Ratio	1.45	1.11	0.96
2	Debt-Equity Ratio	5.96	(13.18)	(4.16)
3	Debt Service Coverage Ratio	0.35	0.27	0.16
4	Return on Equity (ROE)	4.73	(1.05)	(0.03)
5	Inventory Turnover Ratio	2.07	2.38	0.21
6	Trade Receivables Turnover Ratio	14.11	11.00	2.10
7	Trade Payables Turnover Ratio	5.52	4.20	0.44
8	Net Capital Turnover Ratio	8.62	30.28	(38.87)
9	Net Profit Ratio	0.07	0.06	0.02
10	Return on Capital employed (ROCE)	0.28	0.28	0.19
11	Return on investment	Not Applicable as Company does not have any		

The definitions of ratio / formulas used for actual computation are as follows:

- 1 Current Ratio = Current Assets/Current Liabilities
- 2 Debt Equity Ratio = Total Debt / Shareholders Equity
- 3 Debt Service Coverage Ratio = Earning available for Debt Service / Debt Service
- 4 Return on Equity (ROE) = Net Profit after taxes / Average Shareholders Equity
- 5 Inventory Turnover Ratio = Cost of goods sold / Average Inventory
- 6 Trade Receivables Turnover Ratio = Revenue from Operation / Average account receivable
- 7 Trade Payables Turnover Ratio = Net credit purchases/ Average Trade Payables
- 8 Net Capital Turnover Ratio = Revenue from Operations / Working capital
- 9 Net Profit Ratio = Profit After Tax / Revenue from Operation
- 10 Return on Capital employed (ROCE) = Profit before interest and tax / (Networth+ Total Debt + Deferred tax liability)
- 11 Return on Investment = Net Gain on Sale of Investment / Cost of Investment

ANNEXURE- XXVIII

DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED

(a) Key Managerial Personnel (KMP):

Mr. Abhishek Kumar	Director
Mr. Rajender Kumar	Director
Mr. Sunil Kumar Jain	Director
(Resigned w.e.f. 31.03.2023)	

(b) Promoters & their Relatives having control:

Mr. Abhishek Kumar	Director
Mr. Rajender Kumar	Director
Mrs. Kamlesh Kumar	Relative of Director

(c) Relatives of Promoters who are under the employment of the company:

Mrs. Bhawana Kumar
Mrs. Kamlesh Kumar

(d) Companies over which Directors have significant influence or control:

Dayal Hosiery Private Limited
CP&S Orthotics Private Limited

(e) Other entities over which there is significant control:

CP&S Orthotics Inc (Partnership Firm)
Dayal Hosiery (Proprietor Mr. Abhishek Kumar)

B. Details of related party transactions during the year:

Sr No.	Name of Party	Relation	Nature of Transaction	Volume of Transactions during the year			Amount Outstanding as on		
				March 31, 2023 (Rs. in lakhs)	March 31, 2022 (Rs. in lakhs)	March 31, 2021 (Rs. in lakhs)	March 31, 2023 (Rs. in lakhs)	March 31, 2022 (Rs. in lakhs)	March 31, 2021 (Rs. in lakhs)
1	Dayal Hosiery Private Limited	Associates	Loan Received/ (Repaid)	(1.85)	-	(0.41)	-	1.85	1.85
2	Dayal Hosiery	Associates	Loan Received/ (Repaid)	-	-	-	-	3.50	3.50
3	CP&S Orthotics Private Limited	Associates	Loan Received/ (Repaid)	7.62	1.10	(0.32)	9.00	2.48	1.38
4	Rajendra Kumar	Director	Managerial Remuneration	13.20	13.20	13.20	16.18	30.84	11.99
5	Rajendra Kumar	Director	Loan Received/ (Repaid)	23.00	-	9.80	68.60	45.60	45.60
6	Abhishek Kumar	Director	Managerial Remuneration	39.00	30.00	13.20	(22.75)	(9.40)	1.89
7	Abhishek Kumar	Director	Loan Received/ (Repaid)	(56.19)	9.29	2.90	-	56.19	46.90
8	Abhishek Kumar (New)	Director	Loan Received/ (Repaid)	70.00	-	-	70.00	-	-
9	Abhishek Kumar	Director	Interest Paid	5.70	3.96	3.96	-	-	-
10	Kamlesh Kumar	Director's Spouse	Remuneration	6.00	6.00	6.00	2.96	13.66	10.44
11	Bhawana Kumar	Director's Spouse	Remuneration	6.00	6.00	6.00	0.97	9.59	7.14
12	Sunil Kumar Jain	Director	Remuneration	3.60	3.60	3.60	-	0.71	0.90
13	Sunil Kumar Jain	Director	Interest Paid	5.18	7.65	5.40	-	-	1.25
14	Sunil Kumar Jain	Director	Loan Received/ (Repaid)	(60.00)	-	-	-	60.00	60.00
15	Sunil Kumar Jain (J P Kumar Hosiery)	Director	Purchase of Goods	-	134.41	73.17	-	(2.79)	108.79
16	CP&S Orthotics Inc	Associates	Rent Paid	2.40	-	-	2.14	-	0.56
17	CP&S Orthotics Inc	Associates	Purchase of Goods	-	-	-	-	-	0.48
18	CP&S Orthotics Inc	Associates	Trade Payable	-	-	-	1.04	1.04	1.04

ANNEXURE- XXIX

RESTATED STATEMENT OF CAPITALIZATION AS AT MARCH 31, 2023

Particulars	(Rs. in lakhs)	
	Pre Issue	Post Issue
Borrowings		
Short-Term Borrowings (A)	472.47	(*)
Long-Term Borrowings (B)	571.19	(*)
Total Borrowings (C)	1043.66	(*)
Shareholder's Fund (Equity)		
Share Capital	50.00	(*)
Reserve & Surplus	125.12	(*)
Total Shareholder's Fund (D)	175.12	(*)
Long-Term Borrowings/ Equity (B/D)	3.26	(*)
Total Borrowings/ Equity (C/D)	5.96	(*)

*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. The figures disclosed above are based on the restated summary of Profit & Loss of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXX

STATEMENT OF TAX SHELTER AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Profit before tax, as restated (A)	345.22	123.37	36.63
Normal Corporate Tax Rate (%)	27.82%	27.82%	27.82%
Minimum Alternate Tax Rate (%)	16.69%	16.69%	16.69%
As per Section 115BAA Rate (%)	25.17%	25.17%	25.17%
Adjustments:			
Permanent Differences			
<i>Expenses disallowed under Income Tax Act, 1961</i>			
Gratuity Provision	2.29	8.07	-7.23
Other disallowance including u/s 36 & 37	5.59	0.65	5.13
Total Permanent Differences (B)	7.89	8.72	-2.10
Income considered separately (C)	-6.58	-	-0.41
Timing Differences			
Depreciation as per Books	51.72	30.55	30.87
Depreciation as per Income Tax Act	42.80	30.50	27.19
Other disallowances including under section 43B	-	-	-
Total Timing Differences (D)	8.92	0.05	3.69
Net adjustments (E) = (B+C+D)	10.23	8.77	1.18
Tax expenses/(saving) thereon on net adjustment	2.57	2.21	0.30
Income from other sources (F)	0.52	-	0.41
Exempt Income/ Non-Taxable (G)	6.06	-	-
Income/ (Loss) (A+E+F-G)	355.97	132.14	38.22
Brought Forward Loss Set Off			
- Ordinary Business Loss & Unabsorbed Depreciation	-246.25	-132.14	-37.80
Taxable income/(loss)	109.72	0.00	0.41
Tax as per Normal Provisions	30.52	0.00	0.11
Tax as per Section 115BAA	27.62	0.00	0.10
Income as per MAT	345.22	123.37	36.63
Taxable Income/(Loss) as per MAT	345.22	123.37	36.63
Tax as per MAT	57.62	20.59	6.11
Tax Paid as per-	Section 115BAA	Section 115BAA	Normal Provisions

ANNEXURE- XXXI

DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED

(Rs. in lakhs)

	Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a.	Contingent liabilities	NIL	NIL	NIL

ANNEXURE- XXXII

OTHER FINANCIAL INFORMATION AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)	246.09	157.06	38.05
Restated Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	492.15	237.64	169.53
Number of Equity Shares at the end of the period (B)	5,00,000	5,00,000	5,00,000
Number of Equity Shares at the end of the period (After considering Bonus) (C)	15,00,000	15,00,000	15,00,000
Net Worth, as restated (D)	175.12	-70.97	-228.03
Earnings per Share			
Restated Basic EPS (After Bonus) (A/C)	16.41	10.47	2.54
Return on Net Worth (%) (A/D)	141%	-221%	-17%
Net Assets value per Equity Share (Before Bonus) (D/B)	35.02	-14.19	-45.61
Net Assets value per Equity Share (After Bonus) (D/C)	11.67	-4.73	-15.20

OTHER FINANCIAL INFORMATION

(₹ in Lakhs except no of shares & percentage data)

Particulars	For The Year Ended 31st March		
	2023	2022	2021
Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) - (A)	246.09	157.06	38.05
Restated Earnings Before Interest, Tax, Depreciation & Amortization - (EBITDA)	492.15	237.64	169.53
Number of Equity Shares at the end of the period - (B)	5,00,000	5,00,000	5,00,000
Number of Equity Shares at the end of the period (After considering Bonus) - (C)	15,00,000	15,00,000	15,00,000
Net Worth, as restated - (D)	175.12	-70.97	-228.03
Earnings per Share			
Restated Basic EPS (After Bonus) - (A/C)	16.41	10.47	2.54
Return on Net Worth (%) - (A/D)	141%	-221%	-17%
Net Assets value per Equity Share (Before Bonus) - (D/B)	35.02	-14.19	-45.61
Net Assets value per Equity Share (After Bonus) - (D/C)	11.67	-4.73	-15.20

Notes:

- 1) The ratios have been calculated as below:
 - a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
 - b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
 - c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
 - d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- 2) Earnings Per Share calculation are in accordance with Accounting Standard 20 - Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- 3) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

CAPITALISATION STATEMENT

ANNEXURE - XXIX: RESTATED STATEMENT OF CAPITALISATION AS AT MARCH 31, 2023

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue
Borrowings		
Short-Term Borrowings (A)	472.47	472.47
Long-Term Borrowings (B)	571.19	404.18
Total Borrowings (C)	1043.66	876.65
Shareholder's Fund (Equity)		
Share Capital	50.00	210.00
Reserve & Surplus	125.12	822.00
Total Shareholder's Fund (D)	175.12	1032.00
Long-Term Borrowings/ Equity (B/D)	3.26	0.39
Total Borrowings/ Equity (C/D)	5.96	0.85

Notes:

1. The figures disclosed above are based on the restated summary of Profit & Loss of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2023:

(₹ In Lakhs)

Nature of Borrowing	Amount
Secured Borrowings	562.37
Unsecured Borrowings	262.22
Total	1,043.66

Details of Secured Borrowings:

(₹ In Lakhs)

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on March 31, 2023	Security/Principal Terms & Condition
Bank of India	November 30, 2022	Cash Credit	450.00	391.99	Tenure: 48 Months Number of Installments: 48 Interest Rate: @.65% above RBLR (6.85) presently 7.50% p.a. Interest Type: Floating Security: Refer Note - 1*
Bank of India	November 15, 2021	Working Capital Loan	46.00	24.71	Tenure: 48 Months Number of Installments: 48 Interest Rate: @.65% above RBLR (6.85) presently 7.50% p.a. Interest Type: Floating Security: Refer Note - 1*
Bank of India	November 15, 2021	Working Capital Loan	90.00	81.66	Tenure: 48 Months Number of Installments: 48 Interest Rate: @.65% above RBLR (6.85) presently 7.50% p.a. Interest Type: Floating Security: Refer Note - 1*
IDBI Bank	March 28, 2019	Term Loan	30.00	12.50	Tenure: 60 Months Number of Installments: 60 Interest Rate: MCLR+3.45% p.a. i.e., 12.50% p.a. Interest Type: Floating Security: Refer Note – 2**
Axis Bank	March 01, 2022	Auto Loan	19.00	15.38	Tenure: 60 Months

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on March 31, 2023	Security/Principal Terms & Condition
					Number of Installments: 60 Interest Rate: 7.50 % Interest Type: Fixed Security: Hypothecation of Car JEEP Compass
Axis Bank	August 28, 2022	Auto Loan	8.70	7.14	Tenure: 36 Months Number of Installments: 36 Interest Rate: 1 Year MCLR 8.05% p.a. + Spread 0.45% p.a. = 8.05% p.a. Interest Type: Floating Security: Hypothecation of Car Hyundai Venue
Axis Bank	June 14, 2023	Auto Loan	6.00	5.94	Tenure: 36 Months Number of Installments: 36 Interest Rate: 1-year MCLR 8.8% p.a. + Spread 0.15% p.a.= 8.95% p.a. Interest Type: Floating Security: Hypothecation of Car Hyundai Venue
IndusInd Bank	November 11, 2022	Auto Loan	7.08	6.31	Tenure: 36 Months Number of Installments: 36 Interest Rate: 11.58 % Interest Type: Fixed Security: Hypothecation of Car Bolero
Toyota Financial Services India limited	October 30, 2021	Auto Loan	22.15	16.74	Tenure: 60 Months Number of Installments: 60 Interest Rate: 8.51 % Interest Type: Fixed Security: Hypothecation of Car Innova CRYSTA

**Note - 1*

Primary Security:

1. Hypothecation of all stocks of Raw Material, semi-finished goods and finished goods, packing material etc.
2. Hypothecation of all book debts.
3. Hypothecation of Machineries.
4. Pledge of R.D. Account.

Collateral Security:

- (a) Gala No. 201 & 202 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of M/s. CPS Orthotics Inc. (Partnership Firm)
- (b) EQM Gala No. 203 & 204 situated at 2nd Floor, Swamini Industrial Estate No. 3, opp. Varun Industries, Nanal Nagar, Valiv, Vasai (E), Thane- 401208, in the name of Company.
- (c) EQM of Residential unit situated at Home No. C-39, Moti Prayag Colony, Village- Rasna, Garth Road, Merrut in the name of Abhishek kamal Kumar & Mrs. Bhawana Kumar.
- (d) Residual Value of flat no. 711 & 712, I-Wing, 7th Floor, Gagan Marvel CHSL, Gagan Dream Complex Achole, Vasant Nagari, Vasai.
- (e) Thane in name of Mr. Abhishek kamal kumar, Mrs. Bhawana kumar, Mr. Rajendra Kumar & Mrs. Kamlesh Kumar. Beyond above Personal Gurantee of Shareholder & Director has given.

****Note – 2**

Primary Security:

Equitable Mortgage of following Immovable property:

Commercial/Residential property bearing Nagar Nigam No 31, admeasuring 250.83 Sq. Meters consisting on Khasra number 29, situated at Mayur Vihar Colony Revenue Village Kamalpur Pargana Tehsil and Distt. Meerut, in the State of Uttar Pradesh – belonging to CPS Shapers Private Limited through Mr. Rajendra Kumar S/o Gurmukh Singh. Beyond above Personal Guarantee of Shareholder & Director has given.

Details of Unsecured Borrowings:

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on March 31, 2023	Repayment Terms
Axis Bank	February 02, 2023	Term Loan	30.00	28.53	Tenure: 36 Months Number of Installments: 36 Interest Rate: 1-year MCLR 8.8% p.a. + Spread 6.7% p.a.= 15.50% p.a. Interest Type: Floating
Bajaj Finance Limited	January 31, 2023	Term Loan	28.06	28.06	Tenure: 36 Months Number of Installments: 36 Interest Rate: 16.00% Interest Type: Fixed
Fed bank Financial Services Limited	February 15, 2023	Term Loan	30.15	30.15	Tenure: 36 Months Number of Installments: 36 Interest Rate: 15.75%

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on March 31, 2023	Repayment Terms
					Interest Type: Fixed
Fullerton India Credit Co. Limited	July 18, 2020	Term Loan	5.00	2.62	Tenure: 36 Months Number of Installments: 36 Interest Rate: 14.00% Interest Type: Fixed
HDFC Bank	February 10, 2023	Term Loan	30.17	29.71	Tenure: 36 Months Number of Installments: 36 Interest Rate: 15.00% Interest Type: Fixed
ICICI Bank	February 27, 2023	Term Loan	40.00	40.00	Tenure: 36 Months Number of Installments: 36 Interest Rate: 16.00% Interest Type: Fixed
IDFC First Capital Bank	September 28, 2019	Term Loan	37.94	1.09	Tenure: 36 Months Number of Installments: 36 Interest Rate: 16.50% Interest Type: Fixed
Indusind Bank	March 14, 2023	Term Loan	35.00	34.25	Tenure: 36 Months Number of Installments: 36 Interest Rate: 16.00% Interest Type: Floating
Unity Small Finance Bank Limited	March 27, 2023	Term Loan	40.8	40.80	Tenure: 36 Months Number of Installments: 36 Interest Rate: 17.00% Interest Type: Fixed
Tata Capital Financial Services Limited	April 26, 2022	Term Loan	35.00	26.89	Tenure: 36 Months Number of Installments: 36 Interest Rate: 16.00% Interest Type: Fixed

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on March 31, 2023	Repayment Terms
Tata Capital Financial Services Limited	August 31, 2019	Term Loan	31.48	0.12	Tenure: 36 Months Number of Installments: 36 Interest Rate: 16.75% Interest Type: Fixed

(₹ In Lakhs)

Name of Lenders	Amount Outstanding as on March 31, 2023
From Directors	138.60
Inter Corporate Deposits	13.60
Deposit from Distributors	67.14

*As certified by M/s Vinay Bhushan & Associates., Chartered Accountants, by way of their certificate dated July 28, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations for the financial years ended on 2023, 2022 and 2021 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 184 of this Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Prospectus. You should also read the section titled "Risk Factors" beginning on page 23 of this Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Meson Valves India Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the financial years ended on 2023, 2022 and 2021 included in this Prospectus beginning on page 184 of this Prospectus.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company, C P S Shapers Limited is engaged in the business of manufacturing of Shapewear for Men and Women like V-Shaper, Saree Shapewear, Active Pants, ShapeX Denim, etc.

We are popularly known and identified in apparel market by our brand name "**Dermawear**" with our motto "*Shape up with Confidence*" and "**YDIS**" ("*Your Dress Is Shapewear*"). We distribute our products both, by e-retail and offline model, and have developed a sustainable business model over the period.

Our compression garments fabric is specially designed from skin friendly blend of cotton, polyester and spandex which are double and triple layered for graduated compression effect at body critical areas like abdomen, hips and thighs. We aspire to keep improving our services and our products, backed with innovative new technologies to provide a great experience to our customers.

Our product mix has evolved over the past several years as we have entered into new product categories. Our product portfolio currently includes Saree Shapewear, Mini Shaper, Sports Bra, All Mini Corset, Tummy Reducer, All Zenrik, Slimmer, Active Pants, Denim, Mask and other Shapewears. We believe our comprehensive range of products enables us to capitalize on growth opportunities and increasing demand of our industry. We trust that maintaining a variety of products in our business provides us with an opportunity to cater to diverse needs of different customer segment.

Our products are sold both, domestically and internationally. We have PAN India presence with our distributors network in 28 states and 8 Union territories for our domestic market (based on sales made for the financial year ended March 31, 2023, 2022 and 2021). We have also started our export division and are supplying products to 5 countries namely Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023. For the Fiscals 2023, 2022 and 2021 our revenue from domestic sales was ₹ 3,594.63 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively which contributed 97.64 %, 100.00 %, and 100.00 % respectively of our revenue from operations.

We follow offline distribution model for sale of our products and have distributors spread across the country who in turn sell our products through various retailers. We also follow online sales model for supply of our products and our products are registered on various online platforms such as Amazon, Ajio, Flipkart, Myntra, Nykaa Fashion, Nykaa Retail, Snapdeal and through our own website, www.dermawear.co.in For the Fiscals 2023, 2022 and 2021 our revenue from online sales was ₹ 1,272.19 Lakhs, ₹ 901.18 Lakhs and ₹ 612.22 Lakhs which contributed 34.56%, 33.77% and 42.54%,

respectively of our revenue from operations and revenue from offline sales was ₹ 2,409.26 Lakhs, ₹ 1,767.17 Lakhs and ₹ 826.90 Lakhs, respectively which contributed 65.44%, 66.23% and 57.46% respectively of our revenue from operations.

To meet our PAN India presence and also to meet timely supply of our products through online sales, we have one manufacturing facility situated at Meerut, two warehouses situated at Vasai, Maharashtra and Tiruppur, Tamil Nadu, respectively and one branch office situated at Tiruppur, Tamil Nadu, and one virtual office situated at Bengaluru. We also follow online sales model and sell our products through Amazon and to ensure timely delivery of our products to customers across the country, we have received No objection from Amazon for using the additional place of business situated at different locations, respectively at Bengaluru (Two), Thane (Two), Lucknow, Coimbatore and Thiruvallur, Tamil Nadu.

Our Company has a manufacturing facility and warehouses situated at:

Unit Name	Address
Manufacturing Unit	Plot No. 30, 31, New Mayur Vihar, Near Raj Vansh Vihar, Garh Road, Meerut – 250 005, Uttar Pradesh, India.
Registered Office and Warehouse	Gala 201 - 204, 2nd Floor, Swamini industrial estate-III, Survey No. 96, Hissa no. 9/1 and 10/2, Village Waliv, Vasai, Palghar - 401208, Maharashtra, India.
Warehouse and branch office	No. 1/206-J1, Naranapuram Post, Amaravathi Nagar, Arumuthampalayam, Tiruppur, Tamil Nadu-641664

For further details, kindly refer to the section titled; “Our Properties” mentioned below.

Apart from own manufacturing of products, Our Company also outsources manufacturing of some of our products such as innerwear products, T shirts and Saree shapewear and has also entered into Outsourcing Agreements dated March 01, 2023 for Garment manufacturing, entered into by and between our Company and Yamuna Tex, a Tamilnadu Corporation with principal place of business situated at 2/726-A, Senthoran Tower, 1st Floor, Vaikkalmedu, Kallagandu, Tiruppur and our Company and Senthur Tex, a Tamilnadu Corporation with principal place of business situated at 1/260, J-2, Amaravathi Nagar, Arumuthampalavam, Naranapuram post, Tirupur. By way of these agreements, our Company has outsourced the manufacturing of our innerwear products, T shirts and Saree shapewear in accordance with the specifications and requirements of our Company. The products manufactured through this outsourcing process are delivered at our warehouse situated at Tiruppur for further dispatch at the customers’ location. The agreements shall commence from March 01, 2023 and shall continue till February 28, 2026.

The principal raw materials required for our manufacturing process includes fabric, elastic, zips, elastic adjuster, buckles, hooks, threads cones, fusing films, perlon tape, mobilon tape, plastic boning, stickers, round bra pad, self-adhesive film, and sliders etc. Our Company maintains a base of reliable material suppliers who consistently provide materials of appropriate dimensions as per our requirements. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw materials are majorly procured in the domestic market from Delhi, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, Rajasthan and in the international market we procure our raw materials from China.

Our manufacturing facility is well equipped with required facilities including machinery, other handling equipment’s to facilitate smooth manufacturing process and easy logistics. We endeavour to maintain safety in our premises by adhering to key safety norms, established through our internal health and safety manual, accompanied by regular safety meetings.

Our Company is promoted by Mr. Abhishek Kamal Kumar and Mr. Rajendra Kumar. Our Promoters manage and control the major affairs of our business operations with their considerable experience in our Industry. We believe our success is the result of sustained efforts over the years in key aspects of our business, such as product portfolio, process improvements and increased scale of operations. For more details, please see the chapter titled, “Our Management” and “Our Promoter and Promoter Group” on page 162 and 177 of this Prospectus.

Our product range is growing continually over the past several years as we have entered into new product categories. We are focused at consistently expanding our product portfolio by developing new designs. We constantly engage with our customers through marketing via personal interactions with them. Our sales team works closely with our customers to obtain their insights and feedback about the upcoming trends in the industry which enables us to develop and improve our products to fulfil the requirements of the market.

We sell our products through Distribution channel in PAN India basis and we have Distributors all over the India who further reach to Retailors in all over India and for e-retailing our products, we have developed our own website www.dermawear.co.in and also have tie-ups with major e-commerce players. E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility and made us a known name in the market. With the

passion of our promoters, dedication of our team, development of our brand, customer loyalty, growing trend in e-commerce and continued government support we aim to expand our operations on PAN India basis and become a popular brand among the masses.

For the Financial Years ended on March 31, 2023, 2022 and 2021, our revenue from operations was ₹ 3,681.45 Lakhs, ₹ 2,668.35 Lakhs and ₹ 1,439.12 Lakhs, respectively. Our EBITDA (earnings before interest, depreciation and tax excluding other income) for the financial year ended March 31, 2023, 2022 and 2021 was ₹ 492.15 Lakhs, ₹ 237.64 Lakhs and ₹ 169.53 Lakhs, respectively, while our profit after tax for the financial year ended March 31, 2023, 2022 and 2021 was ₹ 246.09 Lakhs, ₹ 157.06 Lakhs and ₹ 38.05 Lakhs, respectively.

Key Performance Indicators of our Company.

(Rs. in Lakhs except percentages)

Key Financial Performance	March 31, 2023	March 31, 2022	March 31, 2021
Financial KPIs			
Revenue from Operations ⁽¹⁾	3,681.45	2,668.35	1,439.12
EBITDA ⁽²⁾	492.15	237.64	169.53
EBITDA Margin ⁽³⁾	13.37%	8.91%	11.78%
PAT	246.09	157.06	38.05
PAT Margin ⁽⁴⁾	6.68%	5.89%	2.64%

Notes: As certified by M/s Vinay Bhushan & Associates., Chartered Accountants through their certificate dated July 25, 2023

Explanation of KPIs:

- (1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
- (2) 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Expenses.
- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023

In the opinion of the Board of Directors of our Company, since the date of the stub period as disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

- The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on July 07, 2023.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EOGM held on July 07, 2023.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled "Risk Factors" on page 23 beginning of this Prospectus.

Our Company's future results of operations could be affected potentially by the following factors:

1. Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
2. Our failure to keep pace with rapid changes in technology;
3. Changes in laws and regulations relating to the Sector in which we operate;
4. Our ability to retain our skilled personnel;
5. Significant developments in India's economic liberalization and deregulation policies, and the fiscal regime;
6. Occurrence of natural disasters or calamities affecting the areas in which we have operations; and

7. Volatility in the Indian and global securities markets.

SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY INFORMATION

CPS Shapers Limited (*Formerly Known as CPS Shapers Private Limited*) was incorporated on 1 June, 2012 and having its registered office at 201-204, 2nd Floor Swamini Industrial Estate, No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai East Thane, Maharashtra 401208. The Company is primarily engaged in the business manufacturing of compressed garments. The Company has been converted from Private Limited Company to Public Limited Company vide necessary resolution passed by shareholders and the name of company is this day changed to **CPS Shapers Limited** pursuant to issuance of Fresh Certificate of Incorporation on 20.06.2023. Now, the CIN is **U18109MH2012PLC231749**.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The Restated Summary Statement of Assets and Liabilities of the Company as at March 31, 2023, March 31, 2022 and March 31, 2021 and the related Restated Summary Statement of Profit and Losses and Cash Flows Statement for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 have been complied by management from the financial statements of the company for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021.

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified to in section 133 of the Companies Act 2013, read with rule 7 of the Companies (Account) Rules, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented as per schedule III to Companies Act, 2013

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Revenue Recognition

The Company follows the accrual method of accounting and all claims, receivable and liabilities are provided on that basis. All revenue is recognised on accrual basis except non-recruiting income is accounted otherwise.

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales excludes Goods & Service Tax

Revenue from sale of services is recognized net of goods and service tax and as and when the services are rendered. Interest incomes/expenses are recognised using the time proportion method based on the rates implicit in the transaction.

d) Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

e) Depreciation

- i. Property, Plant & Equipment

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the written down value method as per the useful lives as prescribed in Schedule II to the Companies Act, 2013.

Assets	Estimated Values
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Factory Premises (Owned)	30 years
Office Equipment	5 years
Computers	
End User Example (Laptop, PC)	3 years
Server & Network	6 years
Motor Vehicles	8 years

ii. Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible Assets are amortized on straight line basis over a period of five years being the estimated useful life.

Intangible asset are recognised as per Accounting Standard 26 Intangible Asset.

An intangible asset is recognised if and only if

- (a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and
- (b) the cost of the asset can be measured reliably.

f) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is generally determined on weighted average basis except for inventory segregated for a specific order / project, in which case it is valued at their specific costs of purchase. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

g) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

h) Employee benefits

Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, leave encashment, incentives etc. and the same are recognised in the period in which the employee renders the related service.

Defined contribution plans

For defined benefit plans in the form of gratuity (unfunded), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

i) Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

j) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

k) Borrowing costs

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

l) Earnings per Share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares, if any.

m) Impairment of assets

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

n) Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

o) Changes in Accounting Policies in the Periods/ Years Covered in the Restated Financials

There is only change in Significant Accounting Policies which needs to be adjusted in the Restated Summary Statements includes the impact of provision of gratuity made on actuarial valuation basis report.

COMPONENTS OF INCOME AND EXPENDITURE

Total Revenue

Our total revenue is divided into revenue from operations and other income.

Our other income consists of Discount Received, Interest on Income Tax Refund, Net Gain on Foreign Currency transaction and translation and Miscellaneous Income.

Total Expenses

Our total expenses comprise of Cost of Material Consumed, Increase/Decrease in Stock in trade, Employee benefits expense, Finance costs, Depreciation and amortisation expense and other expenses.

Cost of Material Consumed

Cost of Material Consumed includes Inventory at the beginning of the year Add: Purchases Less: Inventory at the end of the year.

Increase/Decrease in Stock in trade

Increase/Decrease in Stock in trade comprise of Inventories at the beginning of the year and Inventories at the end of the year.

Employee benefits expenses

Employee benefit expenses comprises of Salaries and wages, Contribution to provident and other funds, Managerial Remuneration, Gratuity Expenses and Staff welfare expenses.

Finance costs

Finance cost includes Bank Charges, Interest expense on: Borrowings and Delayed payment of statutory dues.

Depreciation and Amortization Expenses

Depreciation and amortization expenses primarily include Depreciation and Amortisation.

Other Expenses

Other expenses majorly comprise of Power and fuel, Rent, Insurance, Factory Expenses, Repairs and maintenance, Advertisement & Sales Promotion, Travelling and conveyance, Communication costs, Printing & Stationery, Postage & Courier, Discount Allowed, Commission & Other Expenses (Online Sales), Delivery Related Expenses, Membership & Subscription, Security Charges, Vehicle Expenses, Rates & Taxes, Legal and professional fees, Payment to auditor, Fines and Penalties and Miscellaneous expenses.

RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the financial years ended on 2023, 2022 and 2021:

(₹ in Lakhs)

Particulars	For the Year ended on March 31, 2023	% of Total Revenue	For the Year ended on March 31, 2022	% of Total Revenue	For the Year ended on March 31, 2021	% of Total Revenue
Revenue from Operations	3,681.45	99.60%	2,668.35	99.98%	1,439.12	99.82%
Other income	14.71	0.40%	0.49	0.02%	2.59	0.18%
Total revenue	3,696.16	100.00%	2,668.84	100.00%	1,441.71	100.00%
Cost of Material Consumed	1,915.79	51.83%	1,259.19	47.18%	468.79	32.52%
Increase/Decrease in Stock in trade	(401.95)	(10.87) %	49.72	1.86%	77.58	5.38%
Employee benefit expenses	692.90	18.75%	555.19	20.80%	360.86	25.03%
Finance cost	98.99	2.68%	85.62	3.21%	106.03	7.35%
Depreciation and amortisation expenses	51.72	1.40%	30.55	1.14%	30.87	2.14%
Other expenses	993.50	26.88%	565.21	21.18%	360.95	25.04%
Total Expenses	3,350.95	90.66%	2,545.48	95.38%	1,405.08	97.46%
Profit before tax	345.22	9.34%	123.37	4.62%	36.63	2.54%
Current tax expense	27.62	0.75%	-	0.00%	-	0.00%
Earlier year Tax	-	0.00%	-	0.00%	-	0.00%
Deferred tax expense / (benefit)	71.51	1.93%	(33.69)	(1.26) %	(1.42)	(0.10) %
Net tax expense/(benefit)	99.13	2.68%	(33.69)	(1.26) %	(1.42)	(0.10) %
Profit/ (Loss) for the year	246.09	6.66%	157.06	5.88%	38.05	2.64%

COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022

Income

Total Revenue: Our total revenue increased by 38.49% from ₹ 2,668.84 Lakhs for the financial year March 31, 2022 to ₹ 3,696.16 Lakhs for the financial year ended March 31, 2023 due to the factors described below:

Revenue from Operations

Our revenue from operations was increased by 37.97% to ₹ 3,681.45 Lakhs for the FY 2023 from ₹ 2,668.35 Lakhs for the FY 2022 due to increase in our domestic and export sales as we adapted to changing trends in certain of our products which in turn led to increase in our revenue from operations.

We also introduced new range of ShapeX Denim which contributed to increase in revenue. Our marketing strategies also gained market acceptance, generating higher awareness, interest and driving more sales.

We derived a portion of our revenue from operations from exports. For the financial year ended March 31, 2023 our revenue from exports constituted 2.36%, of the revenue from operation respectively. Our Company exports to five countries namely, Canada, Germany, Australia, United Kingdom, United States of America based on sales made for the financial year ended March 31, 2023.

In the domestic region also, we entered into new geographies by way of changing our distributors which provided access to new customers and revenue streams.

Other Income

Other income increased by 2902.04% to ₹ 14.71 Lakhs in FY 2023 from ₹ 0.49 Lakhs in FY 2022 due to increase in net gain on foreign currency transaction and translation and miscellaneous income.

Expenditure

Total Expenses: Our total expenses increased by 31.64% to ₹ 3,350.95 Lakhs for the FY 2023 from ₹ 2,545.48 Lakhs for the FY 2022 due to the factors described below:

Cost of Material Consumed

Cost of Material Consumed increased by 52.14% to ₹ 1,915.79 Lakhs for the FY 2023 from ₹ 1,259.19 Lakhs for FY 2022.

Increase/Decrease in Stock in trade

Increase/Decrease in Stock in trade increased by 908.43% to ₹ (401.95) Lakhs for the FY 2023 from ₹ 49.72 lakhs in FY 2022.

Employee Benefit Expenses

The Employee Benefit Expenses increased by 24.80% to ₹ 692.90 Lakhs in FY 2023 from ₹ 555.19 Lakhs in FY 2022. This increase was mainly due to increase in Salaries and wages, Contribution to provident and other funds, Managerial Remuneration and Staff welfare expenses.

Finance Costs

The Financial costs increased by 15.62% to ₹ 98.99 Lakhs in FY 2023 from ₹ 85.62 Lakhs in FY 2022. This increase was mainly due to increase in Interest Expense.

Depreciation and Amortization Expenses

The Depreciation and Amortization expenses increased by 69.30% to ₹ 51.72 Lakhs in FY 2023 from ₹ 30.55 Lakhs in FY 2022.

Other Expenses

The other expenses increased by 75.78% to ₹ 993.50 Lakhs in FY 2023 from ₹ 565.21 Lakhs in FY 2022 majorly due to increase in Power and fuel, Rent, Repairs and maintenance, Advertisement & Sales Promotion, Travelling and conveyance, Discount Allowed, Commission & Other Expenses (Online Sales), Delivery Related Expenses, Membership & Subscription, Vehicle Expenses, Legal and professional fees and Miscellaneous expenses.

Profit before Tax

Our profit before tax increased by 179.82% to ₹ 345.22 Lakhs for the FY 2023 from ₹ 123.37 Lakhs for the FY 2022. The increase was mainly due to increase in our revenue from operations. We have started with export of our products as well from this FY and there has been simultaneous increase in sale from export of our products to ₹ 86.82 lakhs in FY 2022-23. We also adapted to changing trends in certain of our products which in turn led to increase in our revenue from operations. We also hired industrial engineers during this FY which led to increase in our efficiency and simultaneous deduction in expenses. In the domestic region also, we entered into new geographies by way of changing our distributors which provided access to new customers and revenue streams and allowing us to demand competitive pricing. Our marketing strategies also gained market acceptance, generating higher awareness, interest and driving more sales and enabling us to demand better prices for our products and hence increasing our sales and profit margins.

Tax Expenses

Our total tax expense also accordingly increased by 394.24% to ₹ 99.13 Lakhs in FY 2023 from ₹ (33.69) Lakhs in the FY 2022.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 56.69% to ₹ 246.09 Lakhs in FY 2023 from ₹ 157.06 Lakhs in FY 2022.

COMPARISON OF FINANCIAL YEAR ENDED 2022 TO FINANCIAL YEAR ENDED 2021

Income

Total Revenue: Our total revenue increased by 85.12% from ₹ 1,441.71 Lakhs for the financial year March 31, 2021 to ₹ 2,668.84 Lakhs for the financial year ended March 31, 2022 due to the factors described below:

Revenue from Operations

Our revenue from operations was increased by 85.42% to ₹ 2,668.35 Lakhs for the FY 2022 from ₹ 1,439.12 Lakhs for the FY 2021 due to increase in our domestic sales. We had launched our product Saree Shapewear in FY 2020-21, however, the product gained customer/market acceptance in FY 2021-22 which led to simultaneous increase in revenue from operations and we were able to demand competitive prices as the product gained market acceptance.

Other Income

Other income decreased by 81.08% to ₹ 0.49 Lakhs in FY 2022 from ₹ 2.59 Lakhs in FY 2021.

Expenditure

Total Expenses: Our total expenses increased by 81.16% to ₹ 2,545.48 Lakhs for the FY 2022 from ₹ 1,405.08 Lakhs for the FY 2021 due to the factors described below:

Cost of Material Consumed

Cost of Material Consumed increased by 168.60% to ₹ 1,259.19 Lakhs for the FY 2022 from ₹ 468.79 Lakhs for FY 2021.

Increase/Decrease in Stock in trade

Increase/Decrease in Stock in trade decreased by 35.91% to ₹ 49.72 Lakhs for the FY 2022 from ₹ 77.58 lakhs in FY 2021.

Employee Benefit Expenses

The Employee Benefit Expenses increased by 53.85% to ₹ 555.19 Lakhs in FY 2022 from ₹ 360.86 Lakhs in FY 2021. This increase was mainly due to increase in Salaries and wages, Managerial Remuneration and Staff welfare expenses.

Finance Costs

The Financial costs decreased by 19.25% to ₹ 85.62 Lakhs in FY 2022 from ₹ 106.03 Lakhs in FY 2021. This decrease was mainly due to interest on borrowings.

Depreciation and Amortization Expenses

The Depreciation and Amortization expenses decreased by 1.04% to ₹ 30.55 Lakhs in FY 2022 from ₹ 30.87 Lakhs in FY 2021.

Other Expenses

The other expenses increased by 56.59% to ₹ 565.21 Lakhs in FY 2022 from ₹ 360.95 Lakhs in FY 2021 majorly due to increase in Power and fuel, Rent, Repairs and maintenance, Travelling and conveyance, Discount Allowed, Commission & Other Expenses (Online Sales), Vehicle Expenses, Legal and professional fees and Miscellaneous expenses.

Profit before Tax

Our profit before tax increased by 236.80% to ₹ 123.37 Lakhs for the FY 2022 from ₹ 36.63 Lakhs for the FY 2021 due to the factors described above. We had launched our product Saree Shapewear in FY 2020-21, however, the product gained customer/market acceptance in FY 2021-22 which led to simultaneous increase in revenue from operations and we were able to demand competitive prices as the product gained market acceptance.

Tax Expenses

Our total tax expense also accordingly increased by 88.10% to ₹ (33.69) Lakhs in FY 2022 from ₹ (1.42) Lakhs in the FY 2021.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 312.77% to ₹ 157.06 Lakhs in FY 2022 from ₹ 38.05 Lakhs in FY 2021.

CASH FLOWS

The table below is our cash flows for the financial years ended on 2023, 2022, 2021, and 2020:

(₹ in Lakhs)

Particulars	For the financial year ended on		
	2023	2022	2021
Net cash (used)/from operating activities	112.31	197.59	105.46
Net cash (used)/from investing activities	(122.37)	(106.76)	(9.53)
Net cash (used)/from financing activities	9.62	(97.62)	(87.54)
Cash and Cash equivalents at the beginning of the year	20.47	27.26	18.87
Cash and Cash equivalents at the end of the year	20.03	20.47	27.26

Cash Flows from Operating Activities

For the year ended on March 31, 2023

Our net cash generated from operating activities was ₹ 112.31 Lakhs for the year ended March 31, 2023. Our operating profit before working capital changes was ₹ 495.17 Lakhs for the year ended March 31, 2023 which was primarily adjusted against decrease in trade receivables ₹ 4.74 Lakhs, increase in short term loans & advances ₹ 112.74 Lakhs, increase in inventories of ₹ 361.10 lakhs, decrease in trade payables ₹ 54.13 Lakhs, decrease in other current liabilities ₹ 29.41 Lakhs, increase in provisions ₹ 0.04 lakhs.

For the year ended on March 31, 2022

Our net cash generated from operating activities was ₹ 197.59 Lakhs for the year ended March 31, 2022. Our operating profit before working capital changes was ₹ 251.97 Lakhs for the year ended March 31, 2022 which was primarily adjusted against increase in trade receivables ₹ 41.57 Lakhs, increase in short term loans and advances ₹ 32.27 Lakhs, decrease in other current assets ₹ 12.57 Lakhs, decrease in inventories ₹ 1.30 Lakhs, decrease in trade payables ₹ 2.55 Lakhs, decrease in other current liabilities ₹ 12.55 Lakhs, decrease in provisions ₹ 0.87 Lakhs.

For the year ended on March 31, 2021

Our net cash generated from operating activities was ₹ 105.46 Lakhs for the year ended March 31, 2021. Our operating profit before working capital changes was ₹ 165.88 Lakhs for the year ended March 31, 2021 which was primarily adjusted against increase in trade receivables ₹ 100.71 Lakhs, increase in short term loans and advances ₹ 7.77 Lakhs, increase in other current assets ₹ 7.06 Lakhs, decrease in inventories ₹ 25.81 Lakhs, decrease in trade payables ₹ 28.04 Lakhs, decrease in other current liabilities ₹ 2.87 Lakhs and decrease in long term loans and advance of ₹ 0.70 lakhs.

Cash Flows from Investing Activities

For the year ended on March 31, 2023

Net cash flow used from investing activities for the year ended March 31, 2023 was ₹ (122.37) Lakhs. This was primarily on account of purchase of fixed assets and including intangible assets of ₹ 132.20 lakhs and sale of fixed assets of ₹ 9.83 lakhs.

For the year ended on March 31, 2022

Net cash flow used from investing activities for the year ended March 31, 2022 was ₹ (106.76) Lakhs. This was primarily on account of purchase of fixed assets and including intangible assets.

For the year ended on March 31, 2021

Net cash flow used from investing activities for the year ended March 31, 2021 was ₹ (9.53) Lakhs. This was primarily on account of purchase of fixed assets and including intangible assets of ₹ 9.94 lakhs and sale of fixed assets of ₹ 0.41 lakhs.

Cash Flows from Financing Activities

For the year ended March 31, 2023

Net cash flow generated from financing activities for the year ended March 31, 2023 was ₹ 9.62 Lakhs. This was primarily on account of Proceeds from Long Term Borrowings of ₹ 82.04 Lakhs, proceeds from short term borrowings of ₹ 26.04 lakhs, interest income of ₹ 0.52 lakhs and interest paid of ₹ (98.99) lakhs.

For the year ended March 31, 2022

Net cash flow used from financing activities for the year ended March 31, 2022 was ₹ (97.62) Lakhs. This was primarily on account of Proceeds from Long Term Borrowings of ₹ 84.81 Lakhs, repayment from short term borrowings of ₹ (96.80) lakhs and interest paid of ₹ (85.62) lakhs.

For the year ended March 31, 2021

Net cash flow used from financing activities for the year ended March 31, 2021 was ₹ (87.54) Lakhs. This was primarily on account of Proceeds from Long Term Borrowings of ₹ 20.90 Lakhs, repayment from short term borrowings of ₹ (2.41) lakhs and interest paid of ₹ (106.03) lakhs.

RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “Restated Financial Statements” beginning on page 184 of this Prospectus.

OFF-BALANCE SHEET ITEMS

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

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

QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations in future and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the salary, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

OTHER MATTERS

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Restated Financial Statements*” beginning on page 184 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or infrequent events or transactions

Except as described in this Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 23 of this Prospectus.

Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page 23 and 186 of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

Future relationship between Costs and Income

Other than as described in the section titled “*Risk Factors*” beginning on page 23 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Changes in revenue in the last three financial years are as explained in the part “*Financial Year 2022-23 compared with financial year 2021-22 and Financial Year 2021-22 Compared with Financial Year 2020-21*” above.

Significant dependence on a single or few Suppliers or Customers

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our supplier’s *vis a vis* the total purchases for the financial year ended March 31, 2023, 2022 and 2021 are as follows:

Particulars	Suppliers		
	March 31, 2023	March 31, 2022	March 31, 2021
Top 5 (%)	82.87%	83.39%	84.28%
Top 10 (%)	89.55%	89.64%	90.44%

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers *vis a vis* the revenue from operations for the financial year ended March 31, 2023, 2022 and are as follows:

Particulars	Customers		
	March 31, 2023	March 31, 2022	March 31, 2021
Top 5 (%)	55.32%	57.68%	57.78%
Top 10 (%)	72.03%	73.86%	75.97%

Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page 101 of this Prospectus for new products or business segments.

The extent to which the business is seasonal

Our business is not seasonal in nature.

Competitive Conditions

We operate in a competitive atmosphere. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc are key factors in client decisions among competitors, however, reliability and competitive pricing is the deciding factor in most cases. We face fair competition from both organized and unorganized players in the market.

We believe that our experience, and reliability record with our customers will be key to overcome competition posed by such organized and unorganized players. Although, a competitive market, there are not enough number of competitors offering services similar to us. We believe that we are able to compete effectively in the market with our quality of services and our reputation. We believe that the principal factors affecting competition in our business include client relationships, reputation, and the relative quality and price of the services.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI ICDR Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI ICDR Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board in its meeting held on July 07, 2023 has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoter, Directors, or Group Companies, as the case may be shall be deemed to be material;
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of the revenue of the Company for the most recent audited fiscal period;
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.
- d) As per the materiality policy adopted by the Board of our Company in its meeting held on July 07, 2023 creditors of our Company The outstanding dues to creditors in excess of 10% of the trade payables of our company as per the audited previous full year financial statements will be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at www.cpsshapersltd.com

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters or fraudulent borrower by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER, SUBSIDIARIES, GROUP COMPANIES

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax:

GST:

1. M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the "Assessee") has been issued with a notice bearing reference no. ZD09022306224R dated February 15, 2023 under the provisions of Section 61 of the GST Act read with Rule 56(18) of the rules made under the Act, intimating the Assessee of excess ITC claimed for **Rs. 1,00,315/-** for the period from **July 2017 till March 2018**, in GSTR 9 as against that mentioned in Form GSTR 2A generated, based on inputs available from Suppliers. Accordingly, the Assessee have been required to submit explanation in the matter failing which action shall be taken against it. The Assessee has filed a detailed reply in the matter and the matter is pending for response from the department.
2. M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the "Assessee") has been issued with a notice bearing reference no. ZD090822024046J dated August 06, 2022 under the provisions of Section 61 of the GST Act read with Rule 56(18) of the rules made under the Act, intimating the Assessee of excess ITC claimed for **Rs. 71,493/-** for the period from **April 2019 till March 2020**, in GSTR 9 as against that mentioned in Form GSTR 2A generated, based on inputs available from Suppliers. Accordingly, the Assessee have been required to submit explanation in the matter failing which action shall be taken against it. The Assessee has filed a detailed reply in the matter and the matter is pending for response from the department.
3. M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the "Assessee") has been issued with a notice bearing reference no. ZD090421013166S dated April 17, 2021 under the provisions of Section 73 of the GST Act read with Rule made under the Act, requiring the Assessee to pay GST amount of **Rs. 1,51,699/-** (including interest of Rs. 31,460/-), which had been claimed on inadmissible grounds as per rule 2694) of the GST Act, for the Period from April 2020 till January 2021. Accordingly, the Assessee have been required to submit explanation in the matter failing which action shall be taken against it. The Assessee has filed a detailed reply in the matter and the matter is pending for response from the department.
4. M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the "Assessee") has been issued with a notice bearing reference no. ZD090221013997B dated February 12, 2021 under the provisions of Section 73 of the GST Act read with Rule made under the Act, requiring the Assessee pay GST amount of **Rs. 2,69,852/-** (including interest of Rs. 42,374/-), which had been claimed on inadmissible grounds as per rule 2694) of the GST Act, for the month of October 2020. Accordingly, the Assessee have been required to submit explanation in the matter failing which action shall be taken against it. The Assessee has filed a detailed reply in the matter and the matter is pending for response from the department.

Direct Tax:

1. **A.Y. 2013-14**

M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the "Assessee") have been issued with an intimation order u/s. 143(3) of the Income Tax Act, 1961, passed by ITO 12 (1)(4) Mumbai dated March 21, 2016, raising a demand of Rs. 3,44,600/- for A.Y. 2013-14 and aggrieved by the order, the Assessee had filed an appeal bearing reference no. CIT(A), Mumbai-20/10154/2016-17 dated May 30, 2016.

However, as per details available on the website of the Income Tax Department and as per details provided by the Company, although the demand amount has been adjusted from the refunds for subsequent years, the matter is still pending under appeal with the National Faceless Appeal Centre (NFAC).

2. A.Y. 2017-18:

M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 154 of the Income Tax Act, 1961, passed by the District Commissioner of Income Tax (DCIT), CPC Vide DIN no. CPC/1718/U6/1881764910 dated March 14, 2019, raising a demand of Rs. 1,72,170/- for A.Y. 2017-18 and aggrieved by the order, the Assessee had filed an appeal bearing reference no. CIT(A) 42, Mumbai/10053/2019-20.

As per details available on the website of the Income Tax Department currently an amount of Rs. 1,71,170/- in addition to an interest amount of Rs. 7,960/- is pending to be paid and the matter is still pending under appeal with the National Faceless Appeal Centre (NFAC).

3. Pending Demands/ Defaults of TDS:

As per details available on the TRACES an aggregate outstanding amount of **Rs. 94,426.47** from Previous years till 2022-23 is pending against M/s. C P S Shapers Limited (Earlier known as C P S Shapers Private Limited) (hereinafter referred to as the “Assessee”) as default on account of late filing of returns, late deposit of taxes and mismatch of PAN details. Further although no notice has been issued in this respect and no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND GROUP COMPANIES

A. LITIGATION AGAINST OUR SUBSIDIARIES AND GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax:

M/s. C P & S ORTHOTICS PRIVATE LIMITED

Pending Demands/ Defaults of TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 22,167.04 /- from prior years is pending against M/s. C P & S ORTHOTICS PRIVATE LIMITED (hereinafter referred to as the “Assessee”) as default on account of late filing of returns, late deposit of taxes and mismatch of PAN details. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

M/s. DAYAL HOSIERY PRIVATE LIMITED

Pending Demands/ Defaults of TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 42,740/- from prior years is pending against M/s. DAYAL HOSIERY PRIVATE LIMITED (hereinafter referred to as the “Assessee”) as default on account of late filing of returns, late deposit of taxes and mismatch of PAN details. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR SUBSIDIARIES AND GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoter, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Prospectus in the case of our

Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Prospectus.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON-PAYMENT OF STATUTORY DUES

As on the date of the Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoter, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoter or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 187. there have been no material developments that have occurred after the Last Balance Sheet Date.

OUTSTANDING DUES TO CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2023:

Name	Amount (₹ in Lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	199.44
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	164.57

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of Incorporation dated June 01, 2012 from Registrar of Companies, Mumbai, Maharashtra, pursuant to incorporation of the Company as M/s. C P S SHAPERS PRIVATE LIMITED having Corporate Identification Number (CIN): U18109MH2012PTC231749
2. Fresh Certificate of Incorporation dated June 21, 2023 from the Registrar of Companies, Mumbai, Maharashtra, consequent to conversion of the Company from "C P S SHAPERS PRIVATE LIMITED" to "C P S SHAPERS LIMITED" (Corporate Identification Number (CIN): U18109MH2012PLC231749)

APPROVALS IN RELATION TO THE ISSUE

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on July 07, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated July 07, 2023 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated July 28, 2023 and August 23, 2023 authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus with NSE EMERGE

Approvals from Stock Exchange

Our Company has received in - principle listing approval from the NSE EMERGE dated August 23, 2023 for listing of Equity Shares issued pursuant to the issue.

Other Approvals

1. The Company has entered into a tripartite agreement dated June 23, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated June 26, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS

Tax Related Approvals

Sr. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	NA	AAECC8588L	Income Tax Department	--	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	NA	MUMC19133C	Income Tax Department	--	Valid till Cancelled
3.	Central Board of Excise and Customs (C.E.B.C.) (Maharashtra)	M/S. C P S Shapers Private Limited 203-204 Swamini Ind Estate III, Nanal Nagar, Opp Varun Industries, Waliv, Vasai (East), Dist Thane – 401208	AAECC8588LSD001	Ministry of Finance, Department of Revenue	February 25, 2014	Valid till Cancelled
4.	Professions Tax Payer Registration certificate (P.T.E.C.)	M/S. C P S Shapers Private Limited 201-202 Swamini Ind Estate III, Nanal Nagar, Opp Varun Industries, Waliv, Vasai (East), Dist Thane – 401208	99381958145P	Profession Tax Officer, Maharashtra Sales Tax Office	August 13, 2012	Valid till Cancelled
5.	Professions Tax Payer Registration certificate (P.T.R.C.)	M/S. C P S Shapers Private Limited 201 - 202 Swamini Ind Estate III, Nanal Nagar, Opp Varun Industries, Waliv, Vasai (East), Dist Thane – 401208	27350916357P	Profession Tax Officer, Maharashtra Sales Tax Office	August 04, 2012	Valid till Cancelled

GST Registration Certificates issued by Goods and Service Tax department of Respective States:

Sr. No.	Description	Principal Place of Business	Additional Places of Business	Owned / leased by	License Number and Valid from
1.	GST Registration Certificate (Uttar Pradesh)	M/s. C P S Shapers Limited, Plot No 31, New Mayur Vihar, Garh Road, Near Rajvansh Vihar, Meerut - 250005, Uttar Pradesh, India.	C/o. kuehne Nagel Pvt. Limited, Khasara No. 543, 544, 537, 540, 541, Bijanaur Peppersand Road, Near CRPF Camp, Lucknow, Uttar Pradesh-226008	--	09AAECC8588L1Z U Valid from July 01, 2017
2.	GST Registration Certificate (Maharashtra)	201-204, 2nd Floor Swamini Industrial Estate No 3 Opp Varun Industries, Nanal Nagar, Vasai Virar, Palghar - 401208, Maharashtra, India.	Building 5, BGR Warehousing Complex, Near Shiv Sagar Hotel, Village Vahuli, Bhiwandi, Thane, Maharashtra, 421302	FC of Amazone and NOC dated July 19, 2023 received	277AAECC8588L1Z W Valid from July 01, 2017
			Building No., WE-I, Renaissance Industrial Smart City, Village Vashere, Post Amane, Bhiwandi, Thane, Maharashtra, 421302	FC of Amazone and NOC dated July 19, 2023 received	
3.	GST Registration Certificate (Karnataka)	IBLUE ENTERTAINMENT, #62/1, New No. 7, 1 st Cross, 2 nd Main Ganganagar, Bangalore – 560032, Karnataka, India.	Plot 12, P2 It Sector, Hitech, Defence and Aerospace, Park, Devanahalli, Bengaluru – 562149, Urban, Karnataka,	FC of Amazone and NOC dated August 05, 2021 received	29AAECC8588L1ZS Valid from September 04, 2019
			M/S R.K.V Developers, Sy No 524/2, 525/3, 526/3, Madivala &	FC of Amazone and NOC dated	

Sr. No.	Description	Principal Place of Business	Additional Places of Business	Owned / leased by	License Number and Valid from
			Thattanahalli Village, Anekal Taluk, Attibele sub division of Chandapura Division, Bangalore 562107, Karnataka.	July 21, 2023 received	
			No. 42/1 And 43, Kacherakanahalli Village, Jadigenahalli Hobli, Hoskote Taluk, Bengaluru (Bangalore) Rural, Karnataka, 560067	Places are taken and operational as facilitation centres (FC) of Amazone.	
			Survey No. 38/2, 39 And 40, Jadigenahalli Hobli, Kacharaknahalli Village, Hosakote Taluk, Bengaluru Urban - 562114, Karnataka,	However, NOC from Amazone for showing the places in GST are yet to be received.	
			Plot 12 P2 It Sector, Hitech, Defence and Aerospace, Park, Devanahalli, Bengaluru Urban - 562149, Karnataka,		
4.	GST Registration Certificate (Tamil Nadu)	No. 1/206-J1, Naranapuram Post, Amaravati Nagar, Arumuthampalayam, Tirupur - 641664, Tamil Nadu	No. 153 - 1, 153 - 226 - 2, 229 - 2, 230 - 2, Palladam Main Road, Oratakuppai Village, Chettipalayam, Coimbatore - 641201, Tamil Nadu, India.	FC of Amazone and NOC dated March 23, 2023 received	33AAECC8588L1Z3 Valid from March 23, 2023
			No.139 - 157/2, Poduvoyal Post, Ponneri Taluk, Durainallur, Tiruvallur - 601206, Tamil Nadu,	FC of Amazone and NOC dated March 23, 2023 received	

Registrations related to Labour Laws:

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Registration and License to work a Factory	Plot no. 30, New Mayur Vihar, Near Rajvanshi Vihar, garh Road, Meerut, Uttar Pradesh	UPFA7000233	Director of Factories, Uttar Pradesh	January 01, 2019	December 31, 2028
2.	Registration and License to work a Factory	Unit-II, Plot no. 31, New Mayur Vihar, Near Rajvanshi Vihar, garh Road, Meerut, Uttar Pradesh	UPFA7000403	Assistant Director of Factories, Uttar Pradesh	September 28, 2020	September 27, 2025
3.	Registration under Employee State Insurance Act (ESIC)	Plot no. 31, KH No. 29, New Mayur Vihar, Near Rajvanshi Vihar, garh Road, Meerut, Uttar Pradesh	67000532680000199	Employees' State Insurance Corporation,	July 31, 2013	Valid till Cancelled
4.	Registration under the Employees Provident fund (EPF)	M/s C P S Shapers Private Limited	KDMAL0214873000	Employees Provident fund	February 18, 2016	Valid till Cancelled
5.	Registration	201-204 Swamini Ind Estate Iii,	106960572303	Department of	July 17,	Valid till

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
	under Maharashtra Shops and Commercial establishment (labour and Employment) Rules, 2019	Nanal Nagar Opp Varun Ind, Waliv, Vasai East Thane Maharashtra-401208		Labour Commissioner of State	2023	Cancelled

Business Related Approvals:

Sr. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Import Export Code (IEC)	M/s C P S Shapers Private Limited S. No. 96, H No. 10/2, Gala No. 204 Swamini Ind Estate, Mumbai Palgarh Maharashtra-401202	0313004773	Ministry of Commerce and Industry Directorate General of Foreign Trade, Mumbai	April 16, 2013	Valid till Cancelled
2.	LEI Certificate	M/s C P S Shapers Private Limited 203-204 Swamini Ind Estate Iii, Nanal Nagar Opp Varun Ind, Waliv, Vasai East Thane Maharashtra-401208	894500VA5ILZ6YDYML41	Legal Entity Identifier India Limited	November 23, 2022	November 23, 2023
3.	Udhyam Registration Certificate	M/s C P S Shapers Private Limited 201-204 Swamini Ind Estate Iii, Nanal Nagar Opp Varun Ind, Waliv, Vasai East Thane Maharashtra-401208	UDYAM-MH-33-0062703	Ministry of Micro Small & Medium Enterprises	February 21, 2021	Valid till Cancelled

INTELLECTUAL PROPERTY

Indian Trademarks Licensed to the Company by Mr. Rajendra Kumar (the original Owner) (Promoter):

Sr. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application	Validity	Status	Details of acquisition
1.	DERMAWEAR	25	Application no. 2339561 Certificate No. 1220084	May 29, 2012	May 29, 2032	Registered	Acquired by the Company vide Trademark License Agreement dated September 01, 2015 executed in favour of M/s. CPS Shapers Private Limited

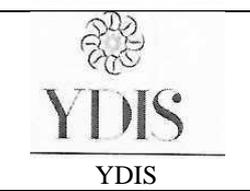
Sr. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application	Validity	Status	Details of acquisition
2.		10	Application no. 2339562	May 29, 2012	May 29, 2032	Registered	Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited
3.		10	Application no. 2452991	January 02, 2013	January 02, 2033	Registered	
4.		35	Application No. 3491943	February 23, 2017	February 23, 2027	Registered	
5.		10	Application No. 3496760	March 01, 2017	March 01, 2027	Registered	
6.		25	Application No. 3496761	March 01, 2017	March 01, 2027	Registered	
7.		35	Application No. 3496762	March 01, 2017	March 01, 2027	Registered	
8.		25	Application No. 3504434	March 04, 2017	March 04, 2027	Registered	
9.		10	Application No. 2466258	January 24, 2013	January 24, 2033	Registered	
10.		25	Application No. 2466259	January 24, 2013	January 24, 2033	Registered	

Sr. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Date of Registration/ Application	Validity	Status	Details of acquisition	
11.	INVISM	10	Application No. 3491940	February 23, 2017	February 23, 2027	Registered		
12.	INVISM	25	Application No. 3491941	February 23, 2017	February 23, 2027	Registered		
13.	MUSQUE	25	Application No. 3491942	February 23, 2017	February 23, 2027	Registered		
14.	XEDRON	25	Application No. 3519458	April 04, 2017	April 04, 2027	Registered		
15.		5	Application No. 3634687	September 13, 2017	September 13, 2027	Registered		
16.		10	Application No. 3634688	September 13, 2017	September 13, 2027	Registered		
17.		25	Application No. 3768118	March 01, 2018	March 01, 2028	Registered		Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited
18.	YDIS	35	Application No. 4388057	December 24, 2019	December 24, 2029	Registered		
19.		35	Application No. 4388058	December 24, 2019	December 24, 2029	Registered		
20.		10	Application No. 3041447	August 25, 2015	August 25, 2025	Registered		Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited
21.		25	Application No. 3041448	August 25, 2015	August 25, 2025	Registered		

International Trademarks Licensed to the Company by Mr. Rajendra Kumar (the original Owner) (Promoter):

Sr. No	Brand Name/Logo Trademark	Class	Nature of Trademark registration number	Date of Registration/ Application	Validity	Authority	Details of acquisition
1.		10, 25 & 35	Register Number 302018001813 File Number: 3020180018137	January 17, 2018	January 31, 2028	Deutsches Patent-und Markenamtes, Germany	Acquired by the Company vide Trademark License Agreement dated July 19, 2019 executed in favour of M/s. CPS Shapers Private Limited
2.		25, 35	Application number: Z.483594 Exclusive Right Number: R.313588	March 15, 2018	March 15, 2028	The Patent Office of the Republic of Poland	
3.		25	Registration number: AE/253343	May 09, 2016	May 09, 2026	United Arab Emirates, Ministry of Economy Trade marks Department	
4.		25	Registration No. 348108 Application No. 4-2017-41191	December 11, 2017	December 10, 2027	Ministry of Science and Technology, Intellectual Property Office of Vietnam	
5.	DERMAWEAR	25	T/2016/8669	May 09, 2016	May 08, 2026	Registrar of Industrial Property Department of Intellectual Property, Ministry of Economic Affairs, Royal Government Bhutan	
6.		25, 35	Application no. 97654129	October 29, 2022	(Applied Yet to be registered)	The Commissioner of Trademarks, USA	
7.	 DERMAWEAR	25, 35	Application no. UK00003884759	March 03, 2023	(Applied Yet to be registered)	Comptroller General of Patents, Designs and Trade Marks United Kingdom	

Copyright Licensed in favour of the Company by Mr. Rajendra Kumar (Publisher):

Sr. No	Registered Work	Artistic	Title of Work	Registration Number	Date of Registration/ Application	Validity	Authority	Details of acquisition
1.			“DERMAWEAR-SHAPE UP WITH CONFIDENCE” (LOGO)	Registration number: a-107274/2013	October 25, 2013	During the lifetime of the publisher + 60 years after his death	Deputy Registrar of Copyrights, India	Acquired by the Company vide Copyright License Agreement dated September 14, 2012 executed in favour of M/s. CPS Shapers Private Limited
2			ZENRIK	Registration no. A-117808/2017	June 10, 2016	During the lifetime of the publisher + 60 years after his death	Deputy Registrar of Copyrights, India	Acquired by the Company vide Trademark License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited
3			MEASURING TAPE	Registration no.: A-118324/2017	October 15, 2016			
4			PACKAGING BOX	Registration no, A-131861/2019	September 12, 2019			
5			YDIS	Registration no A-146455/2023				

Designs Licensed in favour of the Company:

Sr. No	Article	Class	Design number	Date of Registration/ Application and Validity	Authority	Details of acquisition
1.	VEST	02-02	288605	November 16, 2016 valid till November 16, 2026	Registrar of Patents and Designs	Acquired by the Company vide Design License Agreement dated July 19, 2023 executed in favour of M/s. CPS Shapers Private Limited

Domain Name

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	https://dermawear.co.in/	D2773653-IN	IANA ID: 1011	January 15, 2008	January 15, 2025
2.	https://www.cpsshapersltd.com/	2796740895_D AIN_COM VRSN	IANA ID: 146	July 08, 2023	July 08, 2026

LICENSES APPLIED FOR:

Sr. No.	Description	Address of Premises	Authority to which application made	Existing Registration number if Any	Acknowledgement no.	Current Status
1	Registration under Tamilnadu Shops and Establishments Act	No. 1/206-J1, Naranapuram Post, Amara vathi Nagar, Arumuthampalayam, Tiruppur, Tamil Nadu-641664	Labour Department Tamil Nadu Shops and Establishment Act	--	Online Application no. ON-014736	Applied
2	NOC from State Pollution Control Board for operating green Category of industry	Plot no. 30, KH No. 29, New Mayur Vihar, Near Rajvanshi Vihar, garh Road, Meerut, Uttar Pradesh	State Pollution Control Board, Uttar Pradesh	--	Payment reference no. UP01523081414500162 dated August 14, 2023	Applied
3	Application for change in principal place of business in GST registration, Karnataka	IBLUE ENTERTAINMENT, #62/1, New No. 7, 1 st Cross, 2 nd Main Ganganagar, Bangalore-560032	Goods and Service Tax Department, Karnataka	29AAECC8588L1ZS Valid from September 04, 2019	AA2908230061775 dated August 03, 2023	Applied

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Our Board of Directors have *vide* resolution dated July 07, 2023 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 July 07, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from NSE *vide* letter dated August 23, 2023 to use the name of NSE in this Offer Document for listing of equity shares on the NSE Emerge. NSE is the designated stock exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our company, promoter, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors has been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Prospectus.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, our Promoters and Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Issue is an “Initial Public Issue” in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value capital does not exceed ₹ 10 crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the NSE Emerge).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE Emerge.

- a) Our Company was incorporated on June 01, 2012 under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai. Hence, our Company is in existence for a period of 10 years on the date of filing the Prospectus with NSE.
- b) As on the date of this Prospectus, our Company has a total paid-up capital (face value) of ₹ 150.00 Lakhs comprising 15,00,000 Equity Shares of ₹ 10/- each and the Post Issue paid-up Capital (face value) will be ₹ 210.00 Lakhs comprising 21,00,000 Equity Shares which shall be below ₹ 25 crores.
- c) Our Company confirms that it has track record of more than 3 years.

- d) As per the Restated Financial Statements, our company has operating profit (earnings before interest, depreciation and tax) from operations of ₹ 492.15 Lakhs in Fiscal 2023, ₹ 237.64 Lakhs in Fiscal 2022 and ₹ 169.53 lakhs in Fiscal 2021 i.e., in all the 3 financial years preceding the date of this Prospectus and its net-worth is positive.
- e) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.
- f) There is no winding up petition against the company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
- g) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- h) Other Disclosures:
 - We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) of our company in the Prospectus.
 - There are no defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Prospectus.
 - We have disclosed the details of our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter “*Outstanding Litigations and Material Developments*” on page 206 of this Prospectus.
 - We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigations and Material Developments*” on page 206 of this Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a) The Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the Emerge platform of NSE. NSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement dated June 26, 2023 with NSDL and agreement dated June 23, 2023 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- c) The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d) The entire Equity Shares held by the Promoters are in dematerialization form.
- e) The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer the chapter “*Objects of the Issue*” on page 77 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.

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:

- (a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that:

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten and shall not restrict to the minimum subscription level. The LM 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 55 of this Prospectus.
3. In accordance with Regulation 268 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 unblocked or refunded forthwith. If such money is not unblocked or repaid within four days from the date our company becomes liable to unblock or repay it, then our company and every officer in default shall, on and from expiry of fourth day, be liable to unblock or repay such application money, with interest as prescribed under SEBI ICDR Regulations and section 40 of the Companies Act, 2013.

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE 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, 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 COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, 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, SHRENI SHARES LIMITED (FORMERLY KNOWN AS SHRENI SHARES PRIVATE LIMITED) HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 23, 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 THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING

SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS ISSUE DOCUMENT.

Note: All legal requirements pertaining to the Issue will be complied with at the time of registration of this Prospectus with the RoC in terms of section 26 of the Companies Act, 2013.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.cpsshapersltd.com, or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Shreni Shares Limited (Formerly known as Shreni Shares Private Limited) is not an associate of the Company and is eligible to be appointed as the Lead Manager in this Issue, under SEBI MB Regulations.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company nor Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

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. This 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 issued 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.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Applicants are advised to ensure that any application from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2559 dated August 23, 2023, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

LISTING

The Equity Shares issued through the Prospectus are proposed to be listed on NSE EMERGE. Application have been made to NSE EMERGE for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its NSE EMERGE after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from NSE vide letter dated August 23, 2023 to use name of NSE in the Prospectus for listing of equity shares on NSE EMERGE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE EMERGE the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within four (4) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the fourth (4) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE mentioned above are taken within six (6) Working Days of the Issue Closing Date.

CONSENTS

Consents in writing of: (a) The Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer, Peer Review Auditors and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Bankers to the Issue , Bankers to the company, 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.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, Peer Reviewed Auditors, M/s. Vinay Bhushan & Associates, Chartered Accountants, have provided their written consent to the inclusion of Restated Financial Statements dated July 15, 2023, and to the inclusion of their reports dated July 25, 2023 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 the report of the Peer Reviewed Auditors on statement of tax benefits and report on Restated Financial Statements for the financial years ended March 31, 2023, 2022 and 2021 as included in this Prospectus, our Company has not obtained any expert opinion.

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

PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

We have not made any rights to the public 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 Offer” in terms of the SEBI ICDR Regulations.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

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 DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “*Capital Structure*” on page 67 of Prospectus, our Company has not made any capital issue during the previous three years.

For details in relation to our group companies, please see chapter titled “*Our Group Company*” on page 177 of Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 67 of this Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

For details in relation to our group companies, please see chapter titled “*Our Group Company*” on page 177 of Prospectus.

PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Price information of past issues handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited)

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited):

Sr. No.	Issuer name	Issue size (₹ Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing
1.	DAPS Advertising Limited	5.10	30.00	November 14, 2022	57.00	+27.00% [+1.56%]	-3.33% [-1.44%]	-7.00% [+0.74%]
2.	Amiable Logistics (India) Limited	4.37	81.00	November 16, 2022	129.95	+22.53% [+0.03%]	+11.11% [-3.47%]	+4.94% [-0.06%]
3.	PNGS Gargi Fashion Jewellery Limited	7.80	30.00	December 20, 2022	57.00	+421.00% [-1.06%]	+203.33% [-6.60%]	+405.00% [+2.38%]
4.	Arihant Academy Limited	14.72	90.00	December 29, 2022	120.10	+53.50% [-3.22%]	+11.44% [-6.81%]	+15.56% [+2.75%]
5.	Srivasavi Adhesive Tapes Limited	15.50	41.00	March 09, 2023	40.00	+38.41% [-0.71%]	+81.95% [+4.78%]	-
6.	Bright Outdoor Media Limited	55.48	146.00	March 24, 2023	150.00	+12.98% [+4.40%]	+31.03% [+10.42%]	-
7.	Sancode Technologies Limited	5.15	47.00	April 18, 2023	64.00	+75.09% [+3.07%]	+25.60% [+11.49%]	-
8.	Veefin Solutions Limited	46.73	82.00	July 05, 2023	86.05	+57.13% [-0.31%]	-	-
9.	Global Pet Industries Limited	13.23	49.00	July 10, 2023	52.00	+41.02% [+1.11%]	-	-
10.	AccelerateBS India Limited	5.69	90.00	July 19, 2023	109.50	+41.56% [-2.90%]	-	-

Source: www.bseindia.com / www.nseindia.com

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the next trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

Summary statement of price information of past issues handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited):

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%
2023-2024 [@]	4**	70.80	-	-	-	2	2	-	-	-	-	-	-	-

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023 [#]	10 ^{**}	156.29	-	-	-	5	2	3	-	-	1	3	-	4
2021-2022	5 [*]	25.00	-	-	-	1	1	3	-	-	-	1	1	3

* The script of Getalong Enterprise Limited, DMR Hydroengineering & Infrastructures Limited, Alkosign Limited, Quality RO Industries Limited and Ekennis Software Service Limited were listed on October 08, 2021, December 07, 2021, February 01, 2022, February 09, 2022 and March 07, 2022 respectively.

**The script of Fidel Softech Limited, SKP Bearing Industries Limited, Olatech Solutions Limited, Ameya Precision Engineers Limited, DAPS Advertising Limited, Amiable Logistics (India) Limited, PNGS Gargi Fashion Jewellery Limited, Arihant Academy Limited, Srivasavi Adhesive Tapes Limited and Bright Outdoor Media Limited were listed on June 10, 2022, July 13, 2022, August 29, 2022, September 08, 2022, November 14, 2022, November 16, 2022, December 20, 2022, December 29, 2022, March 09, 2023 and March 24, 2023 respectively.

***The script of Sancode Technologies Limited, Veefin Solutions Limited, Global Pet Industries Limited and AccelerateBS India Limited were listed on April 18, 2023, July 05, 2023, July 10, 2023 and July 19, 2023 respectively.

The script of Srivasavi Adhesive Tapes Limited and Bright Outdoor Media Limited have not completed 180 Days from the date of listing.

@The script of Sancode Technologies Limited, Veefin Solutions Limited, Global Pet Industries Limited and AccelerateBS India Limited have not completed 180 days from the date of listing.

Note: Rights Issues lead managed by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited) have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER

For details regarding track record of the Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.shreni.in.

STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the applicants to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Applicants who make the payment of Application Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Application shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or

information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Issue Closing Date, the applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism has become applicable for investor grievances in relation to applications made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Application Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Application Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the LM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

For helpline details of the Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “General Information – Lead Manager” on page 55 of this Prospectus.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicants. Applicants can contact our Company Secretary and Compliance officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company has also appointed Mr. Nikunj Hareesh Gatecha, Company Secretary and Compliance officer. For details, see “*General Information*” beginning on page 55 of this Prospectus.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on July 07, 2023 has also constituted a Stakeholders’ Relationship Committee. The composition of the Stakeholders’ Relationship Committee is as follows:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Vijay Mukesh Thakkar	Non-Executive Independent Director	Chairman
Ms. Trupti R Kalsariya	Non-Executive Independent Director	Member
Mr. Sandeep Avdesh Dubey	Non-Executive Independent Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page 162 of this Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

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

SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum and Articles of Association, SEBI LODR Regulations, the terms of this 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, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the NSE EMERGE, 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 the SEBI, the Government of India, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

THE ISSUE

The Issue comprises of a Fresh Issue of Equity shares.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page 262 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 LODR 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 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 181 and 262, respectively of this Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of ₹10/- each are being issued in terms of this Prospectus at the price of ₹ 185/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 91 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 DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;

7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 262 of this Prospectus.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated June 23, 2023 amongst our Company, CDSL and Registrar to the Issue.
2. Tripartite agreement dated June 26, 2023 between our Company, NSDL and Registrar to the Issue.

MINIMUM APPLICATION VALUE, 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 NSE EMERGE 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 Share subject to a minimum allotment of 600 Equity Shares to the successful Applicants.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹ 1.00 Lakh per application.

JOINT HOLDERS

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

JURISDICTION

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Issue.

NOMINATION FACILITY TO INVESTORS

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (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:

1. to register himself or herself as the holder of the Equity Shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made

Further, 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.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

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 in the dematerialized segment of the Stock Exchange.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Applicants within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

ISSUE PROGRAM

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

Issue Opens on	Tuesday, August 29, 2023
Issue Closes on	Thursday, August 31, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before September 05, 2023
Initiation of Refunds / unblocking of funds from ASBA Account*	On or before September 06, 2023
Credit of Equity Shares to demat account of the Allottees	On or before September 07, 2023
Commencement of trading of the Equity Shares on the Stock Exchanges	On or before September 08, 2023

1. Our Company shall, in consultation with the Lead Manager, consider closing the Issue Period for QIBs, one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.
2. UPI mandate end time and date shall be at 5.00 p.m. on Issue Closing Date.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the applicant shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above timetable is indicative and does not constitute any obligation or liability on our Company or the 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 or such other time as may be prescribed by SEBI, the timetable may change due to various factors, such as extension of the Issue Period by our Company in consultation with the Lead Manager, or any

delays in receiving the final listing and trading approval from the Stock Exchange or delay in receipt of final certificates from SCSBs, etc. 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 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 Investors after taking into account the total number of applications received up to the closure of timings and reported by the 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 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 Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding Four (4) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100/- per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100/- per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Prospectus may result in changes in the timelines.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Issue closure time from the Issue Opening Date till the Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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 Investors 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.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within 15 days from the closure of the issue, if there is a delay beyond such time, 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 as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of Issue.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 600 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE EMERGE.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-issue capital of our Company as provided in “*Capital Structure*” beginning on page 67 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 262 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. Further, our Company is not issuing any new financial instruments through this Issue.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

MIGRATION TO MAIN BOARD

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. The migration policy of NSE was intimated vide circular Download Ref. No.: NSE/SME/26110 dated March 10, 2014, further revised vide circular Download Ref. No. NSE/SME/37551 dated April 18, 2018 and NSE/SME/47077 dated January 21, 2021. NSE has further reviewed and revised the migration policy effective from April 20, 2023 from NSE Emerge to NSE Main Board as follows:

1. The paid-up equity capital of the company shall not be less than ₹10 crores and the capitalisation of the company's equity shall not be less than ₹25 crores**

*** Explanation for this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares*
2. The company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The company should have been listed on SME platform of the Exchange for at least 3 years.
4. The Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
5. The company has not received any winding up petition admitted by a NCLT.
6. The net worth of the company should be at least ₹50 crores.
7. Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
8. The company desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:
 - a) The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
 - b) Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
 - c) Redressal mechanism of Investor grievance.
 - d) PAN and DIN no. of Director(s) of the Company.

Change in Control of a Company/Utilisation of funds raised from public

MARKET MAKING

The shares offered through this Offer are proposed to be listed on NSE EMERGE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as

may be prescribed by the Stock Exchange, from the date of listing on NSE EMERGE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 58 of this Prospectus.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, our post Issue face value capital does not exceed ten crore rupees. The Company shall Issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the NSE Emerge). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “Terms of the Issue” and “Issue Procedure” beginning on page 230 and 239 respectively, of this Prospectus.

ISSUE STRUCTURE

This Issue comprised of Initial Public Offering of 6,00,000 Equity Shares for Cash at an Issue Price of ₹ 185/- per Equity Share. The Issue comprises a reservation of 31,200 Equity Shares of face value of ₹ 10/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Issue to Public of 5,68,800 Equity Shares of face value of ₹ 10/- each (“**the Net Issue**”). The Issue and the Net Issue will constitute 28.57% and 27.09%, respectively of the post Issue paid-up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation ⁽¹⁾	5,68,800 Equity Shares	31,200 Equity Shares
Percentage of Issue Size available for Allocation	27.09% of the Issue Size	1.49% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 600 Equity Shares and further allotment in multiples of 600 Equity Shares each ⁽¹⁾ For further details please refer section explaining the Basis of Allotment in the GID	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)	
Mode of Allotment	Compulsorily in dematerialised form	
Minimum Application Size	<i>For Other than Retail Individual Investors:</i> Such number of Equity Shares in multiples of 600 Equity Shares such that the Application Value exceeds ₹ 2,00,000. <i>For Retail Individuals Investors:</i> Such number of Equity Shares in multiples of 600 Equity Shares such that the Application Value does not exceeds ₹ 2,00,000.	31,200 Equity Shares
Maximum Application Size	<i>For Other than Retail Individual Investors:</i> Such number of Equity Shares in multiples of 600 Equity Shares not exceeding the size of the Issue, subject to applicable limits to the Applicant. <i>For Retail Individuals Investors:</i> Such number of Equity Shares in multiples of 600 Equity Shares such that the application value does not exceed ₹ 2,00,000.	31,200 Equity Shares
Trading Lot	600 Equity Shares	600 Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations.
Who can Apply ⁽²⁾	<i>For Other than Retail Individual Investors:</i>	Market Maker

Particulars	Net Issue to Public	Market Maker Reservation Portion
	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts. <i>For Retail Individuals Investors:</i> Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.	
Terms of Payment ⁽³⁾	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	600 Equity Share and in multiples of 600 Equity Shares thereafter	

⁽¹⁾ Since present Issue is a fixed price Issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI ICDR Regulations, shall be made as follows:

- (a) Minimum fifty per cent to retail individual investors; and
- (b) Remaining to:
 - i) individual applicants other than retail individual investors; and
 - ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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.

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage."

⁽²⁾ 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.

⁽³⁾ In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including Retail Individual Investors 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 SCSB.

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled "Issue Procedure" beginning on page 239 of this Prospectus.

ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Offer (“GID”) prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 & UPI Circulars which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) General Instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days (“UPI Phase I”). The same was applicable until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to 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 offers, whichever is later (“UPI Phase II”), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 01, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of the Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper, all editions of the Hindi national daily newspaper, regional edition of the regional daily newspaper on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their website. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), has been notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II of the UPI Circular, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time, including SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Issue Closing

Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

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 and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Issue, subject to applicable laws.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued UPI Circulars in relation to streamlining the process of public Issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public Issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Investor 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 commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public offers, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Investor 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.

Phase III: In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing six working days to three working days and pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the reduce time period of three working days has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or

deleted applications, and the requirement for the bank accounts of unsuccessful applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – issue LM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with April 20, 2022 Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the LM.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Chapter IX of SEBI ICDR Regulations through a Fixed Price Process wherein 50% of the Net Issue is allocated for Retail Individual Investors and the balance shall be issued to individual applicants other than Retail Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Investors shall not be less than the minimum 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, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and 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/UPI ID (for UPI applicants using the UPI Mechanism), 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 Exchange.

AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) 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 Investors using UPI Mechanism for an application size of

up to ₹ 5,00,000 may participate in the Issue through UPI by providing details 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. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

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 Application Form
Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

*Excluding Electronic Application Form.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI applicants (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 Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI applicants using UPI mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI applicants, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the 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 Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. 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 or Sponsor Bank at the time of submitting the Application.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the 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:

For Applications submitted by Investors	After accepting the form, SCSB shall capture and upload the relevant
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to SCSBs:	details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;

8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
 - (a) Minors (except through their Guardians)
 - (b) Partnership firms or their nominations
 - (c) Foreign Nationals (except NRIs)
 - (d) Overseas Corporate Bodies

MAXIMUM AND MINIMUM APPLICATION SIZE

For Retail Individual Investors

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 Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

For Other than Retail Individual Investors (Non-Institutional Investors and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 600 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, 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.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio). 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.
3. 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 nearest multiple of 600 Equity shares subject to a minimum allotment of 600 Equity shares.
4. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 600 Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this Prospectus.
5. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - (a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - (b) The balance net issue of shares to the public shall be made available for allotment to:
 - i. Individual applicants other than retails individual investors; and
 - ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - (c) The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.
6. Retail Individual Investors' 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 Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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 the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

APPLICATION BY HUFs

Applications by HUFs 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 may be considered at par with Applications from individuals.

APPLICATION BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCsB or should confirm/accept the UPI Mandate Request (in case of UPI applicants using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCsB or should confirm/accept the UPI Mandate Request (in case of UPI applicants applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in colour).

Participation by Eligible NRIs in the Issue shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total

holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 261 of this Prospectus.

APPLICATION BY FPIs AND FIIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid -up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non - Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid -up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue is advised to use the Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure “MIM Structure”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected.

APPLICATION BY SEBI REGISTERED AIF, VCF AND FVCI

The SEBI VCF Regulations, 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 or FVCI 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 issue 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 Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

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.

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.

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 which, the Company in consultation with the LM, 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 in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

Equity shares of a company: the lower of 10%⁽¹⁾ of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;

The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, 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 points (i), (ii) or (iii) above, as the case may be.

(1) The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs.2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs.500,000 million or more but less than Rs.2,500,000 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 25 Crores, 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, the 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 consultation with the LM, reserve the right to reject any Application 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, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the 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. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

APPLICATIONS BY SCSBS

SCSBS participating in the Issue is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. 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.

The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs250 million (subject to applicable laws) and pension funds with a minimum corpus of Rs250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA 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.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

METHOD AND PROCESS OF APPLICATIONS

The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

The entire Issue price of ₹ 185/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM

The applicants shall specify the bank account number in their 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, Non-Retail Individual Investors 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 instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated 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 Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - (a) Name of the Applicant;
 - (b) IPO Name;
 - (c) Application Form Number;
 - (d) Investor Category;
 - (e) PAN (of First Applicant, if more than one Applicant);
 - (f) DP ID of the demat account of the Applicant;
 - (g) Client Identification Number of the demat account of the Applicant;
 - (h) Number of Equity Shares Applied for;
 - (i) Bank Account details;
 - (j) Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - (k) Bank account number
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Individual Investors and Retail Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and

other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

Our company has entered into an Underwriting Agreement dated August 14, 2023.

A copy of Prospectus will be filed with the ROC in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, 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, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ALLOTMENT ADVERTISEMENT

Our Company, the Lead Manager and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation.

ISSUANCE OF CONFIRMATION ON ALLOCATION NOTE AND ALLOTMENT IN THE ISSUE

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

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. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

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 4 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 relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
2. Ensure that you have apply within the Price Band
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. UPI Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
6. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an RII bidding using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Mechanism for an application size of up to ₹5,00,000 for UPI Applicants) to make an application in the Issue. Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;
8. If the first applicant is not the bank 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 (for all Applicants other than Retail Individual Investors, bidding using the UPI Mechanism);
9. All Applicants should submit their Applications through the ASBA process only;
10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
11. Retail Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at www.sebi.gov.in;
12. 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;
13. Ensure that you request for and receive a stamped acknowledgement of your application;
14. Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;
16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;

17. 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, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) 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;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. 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;
20. Ensure that the correct investor category and the investor status is indicated in the Application Form;
21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that you use only your own bank account linked UPI ID (only for Retail Individual Investors using the UPI Mechanism) to make an application in the Issue;
24. 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;
25. Applicants, other than Retail Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
27. In case of ASBA Applicants (other than Retail Individual Investors using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
28. Once the Sponsor Bank Issues the UPI Mandate Request, the Retail Individual Investors would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
29. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, 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;
30. Retail Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Retail Individual Investors should ensure

acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in the Retail Individual Investors ASBA Account.

31. Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Investor shall be deemed to have verified the attachment containing the application details of the Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
32. Investors applied 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;
33. Retail Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
36. Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date.
37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

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 apply by another Application Form after submission of Application to the Designated Intermediary.
4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not submit the Application Forms to any non-SCSB bank or our Company;
7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit more than one Application Forms per ASBA Account;
10. Do not submit the Application Forms to any Designated Intermediary that is not authorised to collect the relevant Application Forms or to our Company;
11. Do not apply for an Application Amount exceeding Rs. 200,000 (for Applications by Retail Individual Investors);

12. 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 this Prospectus;
13. Do not submit the General Index Register number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
16. If you are a Retail Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
17. If you are a Retail Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
18. 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;
19. 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;
20. 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);
21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise their applications during the Issue Period and withdraw their Applicants on or before the Issue Closing Date;
22. Do not apply for shares more than specified by respective Stock Exchanges for each category;
23. 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 Investor using the UPI mechanism;
24. Do not submit incorrect UPI ID details, if you are a Investors applying through UPI Mechanism;
25. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your application after 3.00 p.m. on the Issue Closing Date;
26. Do not apply if you are an OCB.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-issue or post-issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “General Information” on page 58.

For helpline details of the Lead Manager pursuant to the SEBI circular no. SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information – Lead Manager to the Issue” on page 55 of this Prospectus.

GROUND FOR TECHNICAL REJECTIONS

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;

2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section "Who can Apply?" on page 243 of this Prospectus;
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;
9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Retail Individual Investors with Application Amount for a value of more than Rs. 200,000;
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants (who are not Anchor Investors) accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB.

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

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 Lead Manager and the Registrar to the Issue, 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.

Method of allotment as may be prescribed by SEBI from time to time

Our Company shall not make an allotment if the number of prospective allottees is less than one thousand. Our Company will not make any Allotment in excess of the Equity Shares issued through the Issue through the Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the 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, Non-Institutional 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 Investors shall not be less than the minimum lot, subject to the availability of shares in Retail Individual Investors Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

INVESTOR GRIEVANCE

In case of any pre- Issue or post- Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information*” on page 55 of this Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs 1 million 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 Rs 5 million or with both.

DEPOSITORY ARRANGEMENTS

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). It is mandatory for the applicants to furnish the details of depository account and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. Specified securities, on allotment, shall be traded on stock exchanges in demat mode only in this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated June 26, 2023 among NSDL, our Company and the Registrar to the Issue.
2. Agreement dated June 23, 2023 among CDSL, our Company and Registrar to the Issue.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
2. 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 or within such other time period prescribed by SEBI will be taken;
3. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

4. if Allotment is not made within six working days from the Issue Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
5. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. that if our Company do not proceed with the Issue after the Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice 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 shall be informed promptly;
7. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh issue document with SEBI/Stock Exchange, in the event our Company or subsequently decide to proceed with the Issue;
8. adequate arrangements shall be made to collect all Application Forms from Applicants.
9. the Promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public.

The information set out above is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the prescribed limits under applicable laws or regulations.

UTILISATION OF NET PROCEEDS

Our Board certifies that:

1. all monies received out of the Fresh issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilised out of the Fresh issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
3. the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued, issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI SAST Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI policy, the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 239 of this Prospectus. Each Applicant should seek independent legal advice about its ability to participate in the issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, 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 U.S. Securities Act and applicable state securities laws of the United States. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations, seek independent legal advice about its ability to participate in the issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

**COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
CPS SHAPERS LIMITED**
(COMPANY LIMITED BY SHARES)**

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Not Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) “Capital” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) “The Company” shall mean CPS Shapers Limited” *	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) “Meeting” or “General Meeting” means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted	Extra-Ordinary General Meeting

Sr. No	Particulars	
	and any adjourned holding thereof.	
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital

Sr. No	Particulars	
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non - Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	Provisions to apply on issue of Redeemable Preference Shares
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the	Debentures

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	consent of the Company in the General Meeting by a Special Resolution.	
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division and Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
MODIFICATION OF CLASS RIGHTS		
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and	Shares at the disposal of the Directors.

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	at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery	Share Certificates.

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	<p>such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>

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	Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
UNDERWRITING AND BROKERAGE		
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
CALLS		
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors	Calls to date from resolution.

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	on such subsequent date as may be fixed by Directors.	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time	Payments in Anticipation of calls may carry interest

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	<p>repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	
	LIEN	
45.	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	Company to have Lien on shares.
46.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	As to enforcing lien by sale.
47.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may</p>	If call or installment not paid, notice maybe given.

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	have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of	Cancellation of share certificate

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	the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
TRANSFER AND TRANSMISSION OF SHARES		
61.	(a) Subject to provisions of Article 82, the instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
62.	Subject to provisions of Article 82, the instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository and shares under transfer are in dematerialized form and a proper instrument of transfer is delivered through depository participant. provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except in dematerialized form and on production of instrument of transfer.
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however 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;	Directors may refuse to register transfer.

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65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders.
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Recognition of legal representative.
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or	Titles of Shares of deceased Member

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	Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer (transmission clause).
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the	Form of transfer Outside India.

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	law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
NOMINATION		
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	Nomination
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	Transmission of Securities by nominee
DEMATERIALIZATION OF SHARES		
82.	<p>Subject to the provisions of the Act and Rules made thereunder the Company will offer its members facility to hold securities issued by it in dematerialized form.</p> <p>All the fresh securities to be issued by the company will be in dematerialized form.</p> <p>Any person seeking transfer of shares, shall first get his / her shares dematerialized before execution of instrument of transfer.</p>	Dematerialisation of Securities
JOINT HOLDER		
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions	Joint Holders

Sr. No	Particulars	
	contained in these Articles.	
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
SHARE WARRANTS		
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	Deposit of share warrants
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
CONVERSION OF SHARES INTO STOCK		
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.

Sr. No	Particulars	
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stockholders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
BORROWING POWERS		
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit	Bonds, Debentures etc. to be under the control of the Directors.

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	of the Company.	
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
MEETINGS OF MEMBERS		
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	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. 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. 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. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Chairman with consent may adjourn meeting.
105.	In the case of an equality of votes the Chairman shall both on a show	Chairman's casting vote.

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	of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in	Votes may be given by proxy or

Sr. No	Particulars	
	case of a company, by a representative duly Authorised as mentioned in Articles	by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall	Time for objections to votes.

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	be valid for all purposes.	
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution.	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	Nominee Directors.
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not	Sitting Fees.

Sr. No	Particulars	
	exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
134.	c) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. d) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	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.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meeting show to be governed.
139.	a) A committee may elect a chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as	Acts of Board or Committee shall be valid notwithstanding defect

Sr. No	Particulars	
	a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	in appointment.
RETIREMENT AND ROTATION OF DIRECTORS		
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
POWERS OF THE BOARD		
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property, rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so	To pay for property.

Sr. No	Particulars	
	charged.	
(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
(13)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
(14)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security byway of indemnity.
(15)	To determine from time-to-time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way	To determine signing powers.

Sr. No	Particulars	
	of a power of attorney or otherwise.	
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	Transfer to Reserve Funds.
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also	To appoint Attorneys.

Sr. No	Particulars	
	except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other	

Sr. No	Particulars	
	<p>associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p>	<p>Powers to appoint Managing/Whole Directors. Time</p>

Sr. No	Particulars	
	b) The Managing Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Whole Time Director.
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Directors or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	Powers and duties of Managing Director or Whole-Time Director.
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer,</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

Sr. No	Particulars	
	<p>manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	
	THE SEAL	
149.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	The seal, its custody and use.
150.	<p>The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>	Deeds how executed.
	Dividend and Reserves	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Division of profits.
152.	<p>The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.</p>	The company in General Meeting may declare Dividends.
153.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may</p>	Transfer to reserves

Sr. No	Particulars	
	consider necessary not to divide, without setting them aside as a reserve.	
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles.
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	Dividends how remitted.
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
CAPITALIZATION		
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied</p>	Capitalization.

Sr. No	Particulars	
	<p>subject to the provisions contained in clause (3) either in or towards:</p> <ul style="list-style-type: none"> (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <ul style="list-style-type: none"> (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. <p>(2) The Board shall have full power -</p> <ul style="list-style-type: none"> (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	Fractional Certificates.
167.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	Inspection of Minutes Books of General Meetings.
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p>	Inspection of Accounts

Sr. No	Particulars	
	b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	
FOREIGN REGISTER		
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
DOCUMENTS AND SERVICE OF NOTICES		
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
WINDING UP		
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
INDEMNITY		
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity.
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title	Not responsible for acts of others

Sr. No	Particulars	
	to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

** Adopted new set of Articles of Association which is applicable to Public Company as per Companies Act, 2013 vide Special Resolution passed by members of the Company on May 23, 2023. Earlier set of Articles of Association appended after these revised Articles.*

***Name of the Company changed vide Special Resolution passed by members of the Company on May 23, 2023 before that name of the Company was "CPS Shapers Private Limited".*

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of the Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

MATERIAL CONTRACTS

1. Issue Agreement dated July 15, 2023 and Addendum to Issue Agreement dated August 14, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated July 15, 2023 between our Company and the Registrar to the Issue.
3. Market Making Agreement dated August 14, 2023 between our Company, the Lead Manager and Market Maker.
4. Underwriting Agreement dated August 14, 2023 between our Company, the Lead Manager and the Underwriter.
5. Banker(s) to the Issue Agreement dated August 22, 2023 between our Company, the Lead Manager, Banker(s) to the Issue Agreement and the Registrar to the Issue.
6. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated June 23, 2023.
7. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated June 26, 2023.

MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated June 01, 2012 issued under the name C P S Shapers Private Limited.
3. Copy of Fresh Certificate of Incorporation dated June 20, 2023 issued by Registrar of Companies, Mumbai consequent to name change from C P S Shapers Private Limited to C P S Shapers Limited pursuant to the conversion of our Company into a Public Limited Company.
4. Resolution of the Board of Directors dated July 07, 2023 in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on July 07 in relation to the Issue.
6. Peer Reviewed Auditor's report for Restated Financial Statements dated July 15, 2023 included in this Prospectus.
7. The Statement of Possible Tax Benefits dated July 25, 2023 from Peer Reviewed Auditors included in this Prospectus.
8. Copies of Audited Financial Statements of the Company for the financial years March 31, 2023, 2022 and 2021.
9. Consents of our Directors, Promoter Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management, Peer Review Auditors, Statutory Auditors, Banker(s) to the Company, Lead Manager, Legal Advisor to the Issue, Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Underwriter and Market Maker to act in their respective capacities.

10. Certificate on KPI's issued by our Peer Reviewed Auditor Namely M/s Vinay Bhushan & Associates, Chartered Accountants dated July 25, 2023.
11. Due Diligence Certificate dated August 23, 2023 to SEBI by the Lead Manager.
12. Approval from NSE vide letter dated August 23, 2023 to use the name of NSE in this Issue Document for listing of Equity Shares on the NSE Emerge.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as Amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- Mr. Abhishek Kamal Kumar Chairman and Managing Director DIN: 03513668	Sd/- Ms. Bhawna Kumar Whole Time Director DIN: 03587088
Sd/- Mr. Rajendra Kumar Non-Executive Director DIN: 03513800	Sd/- Mr. Abhav K Kumar Non-Executive Director DIN: 10042678
Sd/- Mr. Sandeep Avdhesh Dubey Non-Executive Independent Director DIN: 07760812	Sd/- Mr. Vijay Mukesh Thakkar Non-Executive Independent Director DIN: 10227101
Sd/- Ms. Trupti R Kalsariya Non-Executive Independent Director DIN: 10226827	

SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- Ms. Chahat Girdhar Chief Financial Officer	Sd/- Mr. Nikunj Haresh Gatecha Company Secretary and Compliance Officer
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Date: August 23, 2023

Place: Palghar