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Prospectus  
Dated: September 11, 2023  
Please read section 26 & 32 of the  
Companies Act, 2013  
100% Fixed Price Issue

**HOLMARC OPTO-MECHATRONICS LIMITED**  
(Formerly known as *Holmarc Opto-Mechatronics Private Limited*)  
CIN: U33125KL1993PLC006984

Registered & Corporate Office	Contact Person	Email and Telephone	Website
Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India	<b>Ms. Vallath Parvathy</b> Company Secretary & Compliance Officer	<b>Email ID:</b> <a href="mailto:cs@holmarc.com">cs@holmarc.com</a> <b>Tel No:</b> +91 484 2953780	<a href="http://www.holmarc.com">www.holmarc.com</a>

**NAMES OF PROMOTERS OF THE COMPANY**

(i) Mr. Jolly Cyriac and (ii) Mr. Ishach Sainuddin

**DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS**

Type	Fresh Issue Size	OFS Size	Total Issue Size	Eligibility – 229(1) / 229(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	28,50,000 Equity Shares aggregating to ₹ 1,140.00 Lakhs	Nil	<b>28,50,000</b> <b>Equity Shares</b> <b>aggregating to</b> <b>₹ 1,140.00 Lakhs</b>	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, as the Company's post issue Paid-up capital would be more than ₹10.00 Crores (Rupees Ten Crores).  <b>Share Reservation:</b> Minimum 50% to the Retail Individual Investors of “Net Issue” Minimum 5% to the Market Maker of “Issue”

OFS: Offer for Sale

**Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders: - NIL -**

**RISKS IN RELATION TO THE FIRST ISSUE** – The face value of the Equity Shares is ₹10/- each. The Issue Price of ₹40/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 81 of this prospectus) should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 21 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 of our company issued through this Prospectus are proposed to be listed on the SME EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received “in-principal” approval letter dated September 08, 2023 from NSE for using its name in this offer document for listing of our shares on the NSE EMERGE. For the purposes of the issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (“NSE”).

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

 **FINSHORE**  
Creating Enterprise Managing Values  
**FINSHORE MANAGEMENT SERVICES LIMITED**  
Anandlok Building, Block-A, 2<sup>nd</sup> Floor, Room No. 207,  
227 A.J.C Bose Road, Kolkata-700020, West Bengal, India  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Telephone:** 033 – 2289 5101 / 4603 2561  
**Email:** [info@finshoregroup.com](mailto:info@finshoregroup.com)

 **CAMEO**  
**CAMEO CORPORATE SERVICES LIMITED**  
“Subramanian Building”, #1, Club House Road,  
Chennai -600002, India  
**Contact Person:** Ms. K. Sreepriya  
**Telephone:** +91-44-40020700, 28460390  
**Email:** [ipo@cameoindia.com](mailto:ipo@cameoindia.com)

**ISSUE PROGRAMME**

**ISSUE OPENS ON: SEPTEMBER 15, 2023**

**ISSUE CLOSES ON: SEPTEMBER 20, 2023**



## HOLMARC OPTO-MECHATRONICS LIMITED

(Formerly known as Holmarc Opto-Mechatronics Private Limited)

Our Company was originally incorporated as Private Limited Company in the name of “*Holmarc Slides and Controls Private Limited*” on February 11, 1993 under the provision of the Companies Act, 1956 bearing Registration No. 09-06984 issued by Registrar of Companies, Kerala. Subsequently, the name of our Company was changed to “*Holmarc Opto-Mechatronics Private Limited*” vide a fresh Certificate of Incorporation Consequent upon Change of Name dated May 01, 2007 bearing Corporate Identification Number U33125KL1993PTC006984 issued by Registrar of Companies, Kerala and Lakshadweep. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “*Holmarc Opto-Mechatronics Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 11, 2021 bearing Corporate Identification Number U33125KL1993PLC006984 issued by Registrar of Companies – Ernakulam. For further details of change in name and registered office of our company, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 147 of the Prospectus.

**Registered & Corporate Office:** Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India

**Contact Person:** Ms. Vallath Parvathy, Company Secretary & Compliance Officer; **Tel No:** +91 484 2953780,

**E-Mail ID:** cs@holmarc.com; **Website:** [www.holmarc.com](http://www.holmarc.com); **CIN:** U33125KL1993PLC006984

### OUR PROMOTERS: (I) MR. JOLLY CYRIAC; and (II) MR. ISHACH SAINUDDIN

#### THE ISSUE

**INITIAL PUBLIC OFFER OF 28,50,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF HOLMARC OPTO-MECHATRONICS LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹40/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹30/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 1,140.00 LAKHS (“THE ISSUE”), OF WHICH 1,44,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹40/- PER EQUITY SHARE, AGGREGATING TO ₹ 57.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 27,06,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹40/- PER EQUITY SHARE, AGGREGATING TO ₹ 1,082.40 LAKHS IS HERE IN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.36% AND 26.93% RESPECTIVELY OF THE POST ISSUE PAIDUP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹ 40/- EACH i.e., 4.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 3,000 EQUITY SHARES**

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”) READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details please see “*The Issue*” beginning on page no. 48 of this Prospectus.) A copy will be delivered for filing to the Registrar of Companies as required under sub-section 4 of Section 26 of the Companies Act, 2013.

In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about 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/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. (For details in this regard, specific attention is invited to “*Issue Procedure*” beginning on page no. 259 of this Prospectus.)

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is 4.0 times of face value of the equity share. The issue price 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 of our company or regarding the price at which the equity shares will be traded after listing.

#### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of “*Risk factors*” beginning on page no. 21 of this Prospectus.

#### ISSUER’S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document 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 make this document 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 of our company issued through this Prospectus are proposed to be listed on the **SME EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”)**. In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received “in-principal” approval letter dated **September 08, 2023** from NSE for using its name in this offer document for listing of our shares on the **NSE EMERGE**. For the purposes of the issue, the **Designated Stock Exchange will be National Stock Exchange of India Limited (“NSE”)**.

#### LEAD MANAGER TO THE ISSUE

 **FINSHORE**  
Creating Enterprise Managing Values  
**FINSHORE MANAGEMENT SERVICES LIMITED**  
Anandlok Building, Block-A, 2<sup>nd</sup> Floor, Room No. 207,  
227 A.J.C Bose Road, Kolkata-700020, West Bengal, India  
**Telephone:** 033 – 2289 5101 / 4603 2561  
**Email:** info@finshoregroup.com  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Website:** www.finshoregroup.com  
**Investor Grievance Email:** investors@finshoregroup.com  
**SEBI Registration No:** INM000012185  
**CIN No:** U74900WB2011PLC169377

#### REGISTRAR TO THE ISSUE

 **CAMEO**  
**CAMEO CORPORATE SERVICES LIMITED**  
"Subramanian Building", #1, Club House Road,  
Chennai - 600 002, India  
**Telephone:** +91-44-40020700, 28460390  
**Email:** ipo@cameoindia.com  
**Contact Person:** Ms. K. Sreepriya  
**Website:** www.cameoindia.com  
**Investor Grievance Email:** investor@cameoindia.com  
**SEBI Registration Number:** INR000003753  
**CIN No:** U67120TN1998PLC041613

#### ISSUE PROGRAMME

ISSUE OPENS ON: SEPTEMBER 15, 2023

ISSUE CLOSES ON: SEPTEMBER 20, 2023

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## SECTION I: DEFINITIONS AND ABBREVIATIONS

### DEFINITIONS AND ABBREVIATIONS

This prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto as amended from time to time.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

#### General Terms

TERMS	DESCRIPTIONS
“Holmarc Opto-Mechatronics Limited”, “HOLMARC”, “HOML” “The Company”, “Our Company”, “Issuer Company” or “Issuer”	Unless the context otherwise indicates or implies, <b>Holmarc Opto-Mechatronics Limited</b> a public limited company incorporated under the provision of Companies Act, 1956 and having its Registered Office at Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam - 683503, Kerala, India
“we”, “our” or “us”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies.
Our Promoters or Promoters of the Company	The promoters of our company being <b>Mr. Jolly Cyriac and Mr. Ishach Sainuddin</b>
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed under Section titled “Our Promoters and Promoter Group”

#### Company Related Terms

TERMS	DESCRIPTIONS
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 153 of this prospectus.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our company being “ <b>Mr. Ishach Sainuddin</b> ”.
CIN	Corporate Identification Number
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being “ <b>Ms. Vallath Parvathy</b> ”.
Corporate Social Responsibility committee	Corporate Social Responsibility committee in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 153 of this prospectus.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified
ED	Executive Director
Equity Shares	The Equity Shares of our Company of face value of ₹10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this prospectus, which are covered under the applicable accounting standards and other companies as considered material by our Board, as identified in “Our Group Companies”
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards

TERMS	DESCRIPTIONS
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act,1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being <b>“INE0LXA01019”</b>
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled <b>“Our Management”</b> beginning on page no. 153 of this prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations
Memorandum/Memorandum of Association/MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled <b>“Our Management”</b> on page no. 153 of this prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review/Statutory Auditor	The Statutory Auditors of our Company having a valid Peer Review certificate in our case being <b>“M/s. G. Joseph &amp; Associates, Chartered Accountant”</b> , 37/2038, First Floor, Muttathil Lane, Kadavanthra, Cochin – 682020, Kerala, India
Promoters	Shall mean promoters of our Company as mentioned in this prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled <b>“Our Promoter and Promoter Group”</b> beginning on page no. 180 of this prospectus.
Registered Office	Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam-683503, Kerala, India
Restated Financial Statement	Audited Financial Statements for the financial years ended on 31 <sup>st</sup> March 2023, 31 <sup>st</sup> March 2022 and 31 <sup>st</sup> March 2021, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC/Registrar of Companies	The Registrar of Companies, Ernakulam
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Senior Management	Senior Management means the officers and personnel of the issuer as defined in Regulation 2(1)(bbbbb) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. For details, please refer to section titled <b>“Our Management”</b> on page no. 153 of this prospectus.
Shareholders	Shareholders of our Company
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled <b>“Our Management”</b> on page no. 153 of this prospectus.
Wilful Defaulter(s) or Fraudulent Borrower(s)	A person or an issuer who or which is categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations 2018.

**Issue Related Terms**

<b>TERMS</b>	<b>DESCRIPTIONS</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment of/ Allotted Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this prospectus.
Application Supported by Blocked Amount/ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID.  Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by Applicants for blocking the Bid Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the prospectus.
ASBA Application Location(s)/Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being “ <b>ICICI Bank Limited</b> ”
Banker to the Issue Agreement	Agreement dated September 06, 2023 entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, “ <b>Issue Procedure, - Basis of Allotment</b> ” beginning on page no. 259 of this prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the NSE i.e., <a href="http://www.nseindia.com">www.nseindia.com</a> .
Broker to the Issue	All recognized members of the stock exchange of NSE would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays).
CAN or Confirmation of	The note or advice or intimation sent to each successful Applicant indicating the Equity

TERMS	DESCRIPTIONS
Allocation Note	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.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	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. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which coordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Stock Exchange	National Stock Exchange of India Limited
Draft prospectus	The Draft prospectus dated August 04, 2023 issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with National Stock Exchange of India Limited under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value ₹10/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.

TERMS	DESCRIPTIONS
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue/Public Issue/Initial Public Issue/Size	Public issue of <b>28,50,000</b> Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹ <b>1,140.00 Lakhs</b> by our Company, in terms of this prospectus.
Issue Agreement	The Issue Agreement dated July 20, 2023 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company being ₹40/- per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about the use of the Issue Proceeds please refer to Section titled <b>“Objects of the Issue”</b> beginning on page no. 73 of this prospectus.
Lead Manager/LM	means a merchant banker registered with the SEBI and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the book running lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being <b>“M/s. Finshore Management Services Limited”</b> .
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being <b>“Nikunj Stock Brokers Limited”</b> who 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 any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Market Making Agreement dated September 06, 2023 between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to <b>1,44,000</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹ <b>57.60 Lakhs</b> only.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to <b>27,06,000</b> Equity Shares of face value ₹10/- each for cash at an Issue price of ₹40/- per Equity Share (the “Issue Price”), aggregating up to ₹ <b>1082.40 Lakhs</b> Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2 Lakh (but not including NRIs other than Eligible NRIs).
NSE	National Stock Exchange of India Limited

TERMS	DESCRIPTIONS
NSE EMERGE / EMERGE Platform of NSE	SME Platform of National Stock Exchange of India Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/OCB	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. <b>OCBs are not allowed to invest in this Issue.</b>
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The prospectus dated September 11, 2023 registered with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer Agents or 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 this Issue/RTI	Registrar to the Issue in our case being <b>"M/s. Cameo Corporate Services Limited"</b> .
Registrar Agreement	The agreement dated May 30, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidder(s) or RIB(s) or Retail Individual Investor(s) or RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
SME Exchange	"SME exchange" means a trading platform of a recognised stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities issued in accordance with Chapter IX of SEBI ICDR and includes a stock exchange granted recognition for this purpose but does not include the Main Board;
Specified Locations	Collection Centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into

TERMS	DESCRIPTIONS
	the UPI
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time.
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 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 Payment Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. 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 Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Underwriters	M/s. Finshore Management Services Limited
Underwriting Agreement	The Underwriting Agreement dated September 06, 2023 entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	“Working day” means all days on which commercial banks in Mumbai are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are

TERMS	DESCRIPTIONS
	open for business.  The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the SEBI, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

### Conventional and General Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act/Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.

TERMS	DESCRIPTIONS
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.

#### Technical and Industry related terms

TERMS	DESCRIPTIONS
BPM	Business Process Management
BU	Billion Units
CAGR	Compounding Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office's
DGGI	Director General of Goods & Services Tax Intelligence
DIPP	Department of Industrial Policy and Promotion
DPIIT	Department for Promotion Industry and Internal Trade
DPR	Detailed Project Report
EDP	Electronic Data Processing
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
IBEF	India Brand Equity Foundation
IMF	International Monetary Fund
IMP/HRS	Impression per Hour
INR	Indian Rupee Rates
MNC	Multinational Corporation
MOU	Memorandum of Understanding

TERMS	DESCRIPTIONS
MSMEs	Micro, Small and Medium Enterprises
MYEA	Mid-Year Economic Analysis
NH	National Highway
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
OMR	Optical Marking Recognition
OSA	Out Sourcing Agent
PMA	Preferential Market Access
PSUs	Public Sector Undertaking
RIMS	Records and Information Management Services
RBI	Reserve Bank of India
R & D	Research and Development
SED	Strategic Engineering Division
SEZ	Special Economic Zone
SMB	Server Message Block
TFA	Trade Facilitation Agreement
UPS	Uninterrupted Power Supply
US	United States
VDP	Variable Data Printing
WPI	Wholesale Price Index

#### Abbreviations

TERMS	DESCRIPTIONS
₹ or ₹ or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
BSE	BSE Limited.
CARO	Companies (Auditor's Report) Order, 2016 & 2020, as amended
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CrPC	Criminal Procedure Code, 1973, as amended.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign Direct Investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.
GBP	Great Britain Pound.
GIR	General index register.
GoI/Government	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.

TERMS	DESCRIPTIONS
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PCB	Pollution Control Board.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
VAT	Value Added Tax.
w.e.f.	With effect from
YoY	Year on Year.

The words and expressions used but not defined in this prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms defined -

- In the section titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page 279 of this prospectus, shall have the meaning given to such terms in that section;
- In the chapter titled “*Financial Statements as Restated*” beginning on page 188 of this prospectus, shall have the meaning given to such terms in that chapter;
- In the section titled “*Risk Factors*” beginning on page 21 of this prospectus, shall have the meaning given to such terms in that section;
- In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 83 of this prospectus, shall have the meaning given to such terms in that chapter; and
- In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 224 of this prospectus, shall have the meaning given to such terms in that chapter.

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

### CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” in this prospectus are to the Republic of India.

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

In this prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “HOLMARC”, “HOML”, and “Holmarc Opto-Mechatronics Limited” unless the context otherwise indicates or implies, refers to “*Holmarc Opto-Mechatronics Limited*”.

In this prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

In this prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten millions” and the word “billion (bn)” means “one hundred crores”. In this prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### FINANCIAL DATA

Unless stated otherwise, the financial information in this prospectus are extracted from the restated Financial Statements of our Company for the financial Years ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021, prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page no 188 of this prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the 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 the prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this prospectus, including in the Sections titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page no. 21, 107, and 224 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this prospectus.

### CURRENCY AND UNITS OF PRESENTATION

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America

Our Company has presented certain numerical information in this prospectus in “Lakh” units. One lakh represents 1,00,000. In this prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, Department for Promotion of Industry and Internal Trade, India Brand Equity Foundation (IBEF) and industry publications etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled “*Risk Factors*” beginning on page no. 21 of this prospectus. Accordingly, investment decisions should not be based on such information.

## EXCHANGE RATES

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

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

Currency#	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
1 USD	82.22	75.81	73.50

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

All figures are rounded up to two decimals

## FORWARD-LOOKING STATEMENTS

The Company has included statements in this prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled “**Risk Factors**”; “**Industry Overview**”; “**Our Business**”; and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**”; beginning on page no. 21, 87, 107 and 224, respectively, of this prospectus.

The forward-looking statements contained in this prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

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

- Changes in laws and regulations relating to the Sectors in which we operate;
- Changes in consumer demand and preferences;
- Failure to successfully upgrade our product portfolio, from time to time;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Successful implementation of Managements future plans for market expansion strategy in both domestic and overseas market
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this prospectus until the Equity Shares are allotted to the investors.

## SECTION II: SUMMARY OF PROSPECTUS

### SUMMARY OF PROSPECTUS

#### (A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:

##### ❖ Primary Business of Our Company:

Holmarc Opto-Mechatronics Limited is incorporated in the year 1993 by our promoters Mr. Jolly Cyriac and Mr. Ishach Sainuddin. Our Company manufactures variety of scientific and engineering instruments for research, industry and education i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Optomechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation etc.

Our manufacturing facility spread over approx. 29,984 sq.ft. situated at Building No. 11/490, B7, H.M.T. Industrial Estate, Kalamassery, Kanayanoor, Ernakulam – 683503, Kerala is equipped with latest machineries, equipment and instruments which is capable to manufacture diverse products. With state-of-the-art machines, equipment and instruments, Holmarc's technicians and engineers bring out quality products. Holmarc is unique in its approach to providing after sales service.

Holmarc Opto-Mechatronics Limited is an ISO 9001:2015 certified company for designing, developing and manufacturing scientific instruments and devices for Industries, Research and Educational Institutes. We have successfully implemented quality management system as per industry standard. The goal of the company is to design, manufacture and service quality products that consistently meet our customer's requirement and needs.

*(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 107 of this prospectus.)*

##### ❖ Summary of the industry in which our Company operates:

Engineering is the largest industrial sector in India and accounts for 3.53% of the country's Gross Domestic Product (GDP). The country's engineering sector comprises manufacturing iron, steel, related products, non-ferrous metals, industrial machinery, automobiles, auto components, and other engineering products. India's engineering sector has witnessed remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production.

The engineering goods export of India had a share of 25.77% out of the total exports during the financial year 2021-22 from the country, as the export jumped to US\$ 112.1 billion as compared to US\$ 76.7 Billion during last financial year 2020-21. The impressive growth in Engineering Goods exports in recent years has largely been due to the Zero duty Export Promotion Capital Goods (EPCG) scheme of the Ministry of Commerce & Industry which forms part of the Foreign Trade Policy (FTP) of the Government of India. Exports of capital goods contributed about half of the total engineering exports from India.

India is among the top countries globally in the field of scientific research, positioned as one of the top five nations in the field for space exploration. The country has regularly undertaken space missions, including missions to the moon and the famed Polar Satellite Launch Vehicle (PSLV). India is likely to take a leading role in launching satellites for the SAARC nations, generating revenue by offering its space facilities for use to other countries. The government has introduced multiple policies aimed at projecting India as a science and technology powerhouse and promoting both public and private sector involvement in the R&D practice. As a result, India's gross expenditure on R&D (GERD) has been consistently increasing over the years. The government has also implemented several fellowship schemes to nurture human capacity for advanced research in the country.

*(For further detailed information, please refer to chapter titled “Industry Overview” beginning from page no. 87 of this prospectus.)*

**(B) NAME OF THE PROMOTERS OF OUR COMPANY:**

(i) Mr. Jolly Cyriac; and (ii) Mr. Ishach Sainuddin are the promoters of our company.

(For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 180 of this prospectus.)

**(C) SIZE OF THE ISSUE:**

Initial Public issue of **28,50,000** equity shares of face value of ₹10/- each (“Equity Shares”) of **Holmarc Opto-Mechatronics Limited** (“The Company” or “The Issuer”) for cash at a price of ₹40/- per equity share (“The Issue Price”), aggregating to ₹ **1,140.00** Lakhs (“The Issue”), of which **1,44,000** equity shares of face value of ₹10/- each for cash at a price of ₹40/- per equity share, aggregating to ₹57.60 lakhs will be reserved for subscriptions by the Market Maker to the issue (The “**Market Maker Reservation Portion**”). The issue less market maker reservation portion i.e., Issue of **27,06,000** equity shares of face value of ₹10/- each for cash at a price of ₹40/- per equity share, aggregating to ₹**1,082.40** lakhs is here-in after referred to as the “**Net Issue**”. The issue and the net issue will constitute 28.36% and 26.93% respectively of the post issue paid up equity share capital of the company.

**(D) OBJECTS OF THE ISSUE:**

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

₹ in lakhs

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	Funding Capital Expenditure towards Purchase of Additional Plant & Machinery	354.36	31.08%	354.36
B	Working Capital Requirements	481.64	42.25%	481.64
C	Issue Related Expenses	154.00	13.51%	154.00
D	General Corporate Purposes	150.00	13.16%	150.00
	<b>Total IPO Proceeds</b>	<b>1,140.00</b>	<b>100.00%</b>	<b>1,140.00</b>

For further details, please refer chapter “Objects of the Issue” beginning from page no. 73 of this prospectus.

**(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS PROSPECTUS:**

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
<b>Promoters</b>		
Jolly Cyriac	37,00,800	51.40%
Ishach Sainuddin	25,84,800	35.90%
<b>Total Promoters Shareholding (A)</b>	<b>62,85,600</b>	<b>87.30%</b>
<b>Promoter Group</b>		
Jaya Jolly	3,600	0.05%
Fabi M M	3,600	0.05%
Vineeth Jolly	1,800	0.03%
Vijay Jolly	1,800	0.03%
Serena Ishach	1,800	0.03%
Saniya Ishach	1,800	0.03%
<b>Total Promoters Group Shareholding (B)</b>	<b>14,400</b>	<b>0.20%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>63,00,000</b>	<b>87.50%</b>

**(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS:**

(₹ in Lakhs)

Particulars	31-03-2023	31-03-2022	31-03-2021
Total Share Capital	720.00	20.00	20.00
Total Net Worth	1159.93	823.80	688.60
Total Revenue	2918.44	2117.84	1573.34
Profit After Tax	356.14	155.19	68.80
Face Value per equity shares	10/-	10/-	10/-
Earnings Per Share (Basic & Diluted) <i>(As per Restated financials)</i>	4.95	77.60	34.40
Earnings Per Share (Basic & Diluted) <i>(after giving retrospective effect of Bonus)</i>	4.95	2.16	0.96
Net Asset Value per equity share <i>(As per Restated financials)</i>	16.11	411.90	344.30
Net Asset Value per equity share <i>(after giving retrospective effect of Bonus)</i>	16.11	11.44	9.56
Total Borrowings	133.69	206.37	166.26

(For further details, please refer chapter “Capital Structure” and “Financial statement as Restated” beginning from page no. 60 and 188 respectively of this prospectus.)

**(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENT:**

The auditor report of Restated Financial information of Holmarc Opto-Mechatronics Limited, for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 does not contain any qualifications which have not been given effect in the restated financial statement. (For further details, please refer chapter “Financial statement as Restated” beginning from page no. 188 of this prospectus.)

**(H) SUMMARY OF OUTSTANDING LITIGATIONS:**

There are certain outstanding litigation pending against the company, directors, promoters, Promoters Group and Group Company. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our business and financial status. A summary of these legal and other proceedings is given below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Other Pending Litigations/ Actions	Aggregate amount involved (₹ in lakhs)
<b>Company</b>							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	2	4.80
<b>Directors</b>							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>							
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Group Companies</b>							
By the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil

For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 231 of this prospectus.

**(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this prospectus.

*(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 21 of this prospectus.)*

**(J) SUMMARY OF CONTINGENT LIABILITIES:**

As per restated financial statement, the company has contingent liabilities of ₹ 47.59 Lakhs towards Building Tax and Bank Guarantee as on March 31, 2023.

*(For further details, please refer chapter “Financial statement as Restated” beginning from page no. 188 of this prospectus.)*

**(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR LAST 3 YEARS:**

*(₹ in Lakhs)*

Particulars	31-03-2023	31-03-2022	31-03-2021
Remuneration and Sales Incentives paid to Directors	153.21	80.79	104.72
Shares of Associate sold to Directors	-	-	2.50
Remuneration to relative of Director	2.31	4.02	3.90
Remuneration to Company Secretary	3.14	-	-
Rent	-	-	11.49
Legal Charges	2.31	0.21	-
Balances outstanding as on year end	1.28	5.07	3.22

*For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated – Related Party Transactions” beginning on page no. 218 of this prospectus*

**(L) DETAILS OF FINANCING ARRANGEMENT:**

There are no financing arrangements whereby the promoters, member of promoter group, , the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this prospectus.

**(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:**

Sl. No.	Name of the Promoter	No. of Shares Acquired during last one Year	Consideration	Weighted Average Price (In ₹ per Equity Share)
1	Jolly Cyriac	35,98,000	--	--
2	Ishach Sainuddin	25,13,000	--	--

*(The Equity Shares of the Company as mentioned above were acquired by way of bonus issue)*

**(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:**

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Jolly Cyriac	37,00,800	0.57
2	Ishach Sainuddin	25,84,800	0.55

*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer or bonus issue and shares received as gift etc. less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the prospectus.*

**(O) DETAILS OF PRE-IPO PLACEMENT:**

Our Company has not proposed any Pre-IPO placement from the date of this prospectus till the listing of the Equity Shares.

**(P) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:**

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
27-02-2023	70,00,000	N/A	Nil	Bonus Issue	#	Capitalization of reserves

*# For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled “Capital Structure” beginning on page no. 60 of this prospectus.*

**(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this prospectus.

**(R) EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## SECTION III: RISK FACTORS

### RISK FACTORS

*Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, **Our Business**, and **Management's Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no. 107 and 224 respectively, as well as the other financial and statistical information contained in this Prospectus.*

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

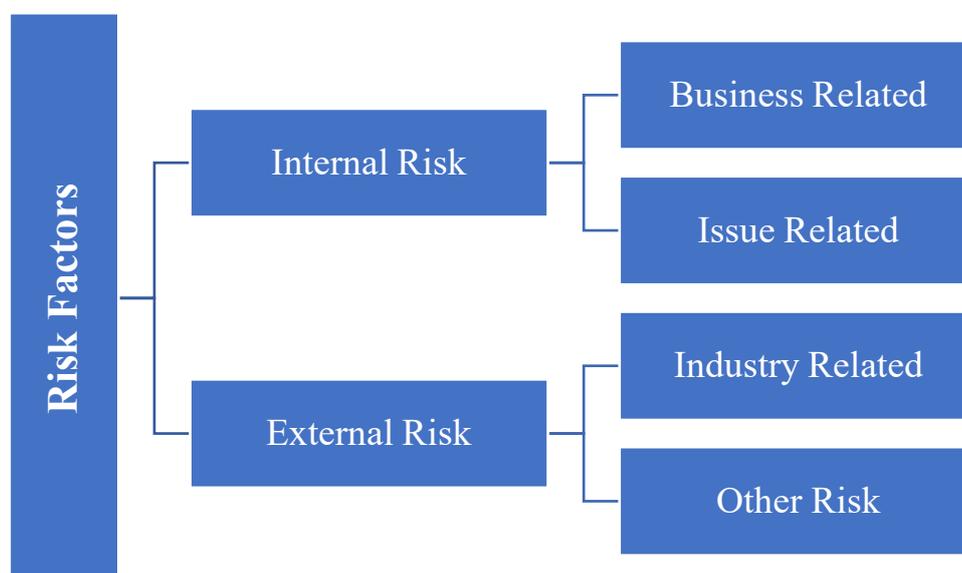
*This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Prospectus.*

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

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

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

1. *Some risks may not be material individually but may be material when considered collectively.*
2. *Some risks may have material impact qualitatively instead of quantitatively.*
3. *Some risks may not be material at present but may have a material impact in the future.*



## **INTERNAL RISK FACTORS**

### **A. Business Related Risks**

#### **1. Our Company is party to certain legal proceedings.**

Our Company, is a party to a legal proceeding which is pending. We cannot assure you that these proceeding will be decided in favour of our Company. Further, there is no assurance that similar proceedings will not be initiated against us in the future. Considering the amount involved is not substantial, any adverse outcome of the litigation will not have any adverse impact on the financials of our Company. For details of these proceedings, see “**Outstanding Litigation and Material Developments**” on beginning from page 231 of this Prospectus. A classification of these legal and other proceedings is given below:

<b>Name of Entity</b>	<b>Criminal Proceedings</b>	<b>Tax Proceedings</b>	<b>Statutory or Regulatory Proceedings</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</b>	<b>Material Civil Litigations</b>	<b>Other Pending Litigations/ Actions</b>	<b>Aggregate amount involved (₹ in lakhs)</b>
<b>Company</b>							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	2	4.80
<b>Directors</b>							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>							
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Group Companies</b>							
By the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise.*

#### **2. We engage in a competitive business. If we are unable to compete effectively, we could lose market share and our business and results of operations could be negatively impacted.**

The company operates in a competitive market that includes manufacturers of scientific and engineering instruments for research, industry, and education. The company competes with domestic and international players and faces challenges in maintaining its market share and profitability. The principal factors affecting competition include customer relationships, technical excellence or differentiation, price, service delivery, service quality, health, safety and environmental standards and practices, financial strength, breadth of technology and technical sophistication, and risk management awareness and processes.

In the scientific and engineering instruments industry, there are a large number of players, ranging from small startups to large multinational corporations. These companies offer a wide range of products and services, including imaging instruments, measuring instruments, spectroscopy, analytical instruments, lab instruments, physics lab instruments, breadboard/table tops, opto-mechanics, optics, linear & rotation stages, motorized linear & rotation stages, industrial automation, and others.

The company may face intense competition from other companies that offer similar products and services, which could impact its ability to maintain or increase its market share. To remain competitive, the company may need to invest in research and development to develop new and innovative products, improve the quality of its existing products, and enhance its manufacturing processes. The company may also need to focus on building strong relationships with its customers and providing excellent customer service to differentiate itself from its competitors. Additionally, the company may need to explore new markets and expand its product offerings to reduce its dependence on any one market or product.

Intense competition is expected to continue in the markets in which the company operates, presenting the company with various challenges in its ability to maintain growth rates and profit margins. If the company is unable to meet these competitive challenges, it could lose market share to its competitors and experience an overall reduction in its profits.

**3. *The company may face the risk of its products becoming obsolete due to technological advancements, which could impact its ability to compete effectively in the market.***

The scientific and engineering instruments industry is characterized by rapid technological change and innovation. The company may face the risk of its products becoming obsolete due to technological advancements, which could impact its ability to compete effectively in the market. To mitigate this risk, the company may need to invest in research and development to develop new and innovative products that incorporate the latest technologies. The company may also need to monitor technological advancements closely and adapt its products and services to meet changing customer needs and preferences. Additionally, the company may need to focus on building strong relationships with its customers and providing excellent customer service to differentiate itself from its competitors.

Further, changes in consumer preferences, regulatory or industry requirements, or competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate changes in technology and regulatory standards and to successfully introduce new and enhanced products on a timely basis is a significant factor to remain competitive. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and our results of operations may be adversely affected. We are also subject to the risks generally associated with new products and applications, including lack of market acceptance and failure of products to operate properly. Customer preferences in the markets we operate are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. To compete effectively in the industry, we must be able to produce new products to meet our customers' demands in a timely manner. Our failure to successfully produce new products could materially and adversely affect our results of operations.

**4. *Our business requires us to obtain and renew certain licenses and permits from government, regulatory authorities and other national/ international corporations and the failure to obtain or renew them in a timely manner may adversely affect our business operations.***

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits. In addition, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by authorities such as the Government of India, the State Governments and certain other regulatory and government authorities, for operating our business. In particular, we are required to obtain certificate of registrations for carrying on certain of our business activities from the Government of India, the State Governments and other such regulatory authorities that are subject to numerous conditions. If we fail to maintain such registrations and licenses or comply with applicable conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition and results of operations.

Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to incur substantial expenditures. If we fail to comply or a regulator alleges that we have not complied with these conditions, could result in fines, penalties, and legal liabilities, due to which our business, prospects, financial condition and results of operations may be adversely affected. While we typically apply for the renewal of any existing regulatory approvals prior to their expiry dates, there can be no assurance that we will receive such renewal in time or at all.

**5. *If we are unable to successfully implement our proposed expansion plans; our results of operations and financial condition could be adversely affected.***

Our Company is planning to build scale and expand its product portfolio. From the Net Proceeds of the Issue, we will be deploying funds for purchase of additional machineries/equipment. These expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce.

We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of these factors may cause us to delay, modify or forego some or all aspects of our expansion plans. Further, there can be no assurance that we will be able to execute our strategies on time and within the budget estimated by the Company. In addition, our expansion plans have not been appraised by any independent or third-party agency, and accordingly, in the absence of such independent appraisal, our expansion plans may be subject to change based on various factors which are beyond our control.

**6. *The Company faces the risk of Unexpected Costs overruns and Losses.***

Our Company conducts its business under various contractual arrangements, where costs are estimated in advance. Under these types of contracts, contract prices are established in part on cost and scheduling estimates which are based on a number of assumptions, including assumptions relating to future economic conditions, prices and availability of labor, equipment and materials. If these estimates prove inaccurate, or circumstances change such as unanticipated technical problems, difficulties in obtaining permits or approvals, changes in local laws or labor conditions, weather delays, cost of raw materials, or the company's suppliers' inability to perform, cost overruns may occur. This could lead to the company experiencing reduced profits or, in some cases, a loss for such contract. These risks tend to be worse for long-term contracts since it is likely that the circumstances under which the company based its original bid could change, resulting in an increase in costs.

In many of these contracts, the company may not be able to obtain compensation for additional work performed or expenses incurred, and if a work is delayed, the company may be required to pay liquidated damages. Even under its cost-reimbursable contracts, where the company does not bear the risk of cost-overruns, costs can exceed client expectations, resulting in deferrals or even cancellations of the contract.

Unexpected costs or delays in performing part of a fixed-price contract can increase the costs of performing other parts of the contract. These variations and the risks inherent to the industry may result in the company's profits being different from those originally estimated and may lead to the company experiencing reduced profitability or losses on projects. The size of a project could significantly impact the company's results of operations due to variations from estimated contract performance. In addition, most contracts that the company enters into are subject to certain completion schedule requirements. If the schedules are not met as a result of circumstances within its control, it might be required to pay liquidated damages which could significantly impact the company's results of operations.

**7. *Our customers may claim against us and/or terminate our services in whole or in part prematurely should we fail to satisfy their requirements and expectations or for any other reason.***

We are an ISO 9001:2015 certified company which ensures quality management system for the product manufactured by our Company. We place emphasis on quality control. We inspect the raw materials we receive, work-in-progress and final products. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production to inventory storage. Our manufacturing facility has personnel responsible for monitoring the parameters of equipment, technical parameters of materials, reporting any irregularities in the manufacturing process and making adjustments accordingly.

Our purchase orders with our customers are of standard form and usually, inter-alia contain details relating to price, terms of payment, delivery schedule, and other standard terms and conditions. Any defect or malfunction in our system designs, products, and/or solutions, or failure to satisfy the requirements and expectations of our customers, could lead to claims made against us and/or termination of our services in whole or in part. This may arise from unsatisfactory design or workmanship, staff turnover and, human errors. However, our production doesn't start without manufacturing clearance is given by our Company and the end user and a product design is tested before being taken up for production; likewise, approval is taken from the Company and the end user before packaging of the product and hence it reduces the chances of defects in our product. Further, as our system designs, products, and technology solutions are applied in the process of finalizing the order, if it is established that any damages in and/or loss of property, as well as personal injuries and/or death resulted from defects in or malfunction of our products, we may be required to further compensate our customers and/or victims for such loss, damages, personal injuries and/or death.

In addition, we may also be subject to potential liability from legal suits for any losses suffered by our customers due to delay of the delivery of our products or services. In the event that we are involved in any legal dispute or court proceedings with our customers, our reputation will be adversely affected and we may have to spend a significant amount of resources to defend ourselves, which may adversely affect our business, cash flows and, financial performance.

**8. *Our Company is yet to place orders for purchase of equipment. Any delay in placing orders or procurement of such equipment may delay the schedule of implementation and possibly increase the cost of commencing operations.***

Our Company has received third party quotations of ₹ 354.36 lakhs for the equipment from third party vendors and some of the equipment shall be procured through online/e-commerce platforms which are proposed to be installed at our existing manufacturing unit situated at Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India. Although, we have identified the type of equipment proposed to be purchased from the Net Proceeds. However, we have not placed orders for any of the equipment proposed to be purchased from the Net Proceeds. The cost of the proposed purchase of equipment is based on the quotations received from third party vendors and prices reflected on the online/e-commerce platform. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors and the estimates taken from online/e-commerce platforms are subject to fluctuations. For details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 73 of this Prospectus.

We cannot assure that we will be able to procure the machinery in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the Manufacturing Facility. Further, if we are unable to procure machinery from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machinery which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

**9. *We rely significantly on some suppliers for the supply of our raw materials. If these suppliers are unable or unwilling to supply raw materials on time or otherwise fail to meet our requirements, our business will be harmed. An inability to procure the desired quality, quantity of our raw materials and components in a timely manner and at reasonable costs, or at all, may have a material adverse effect on our business, results of operations and financial condition.***

Our Major Raw Material i.e. Aluminium (Coil, Sheet, Bars & Rods, Pipes & Tubes, Extrusion, Plates etc.), Mild Steel (MS) Section, Station Steel Section are procured from domestic suppliers and Accessories i.e. Electrical, Microscope, Optical etc. are procured from Overseas Suppliers.

We enjoy a very good relationship with many of our raw material suppliers, which enables a timely manufacturing and delivery of raw materials. We keep an array of suppliers with us, to ensure that there is no delay in manufacturing and delivery of the components to the customer due to the delay or failure to supply a critical raw material by any supplier. Presently, we have not entered into any long-term supply agreements for sourcing any of our raw materials, and we source our raw materials by entering into short-term supply agreements / purchase orders with our suppliers. We procure the raw materials required for our business pursuant to the issue of the purchase orders. While we have in the past undertaken our business pursuant to such arrangements and have not faced any disputes in relation to such purchase orders, we cannot assure you that there will be no disputes with our suppliers in the future, owing to such contractual arrangements. In case of any dispute with our suppliers, for any reason whatsoever, may have adverse effect on our business, results of operations, financial condition, and cash flows.

The following is the breakup of the top five and top ten Suppliers of our Company for the Fiscal 2023, 2022 and 2021:  
₹ in lakhs

Particulars	March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	In %	Amount	In %	Amount	In %
Top 5 Suppliers	229.34	29.84%	166.12	28.97%	88.70	26.06%
Top 10 Suppliers	304.17	39.57%	221.27	38.59%	122.39	35.95%

- 10. We have entered into Technical Collaboration Agreement for transfer of technology for manufacturing of certain specific products. If this Technical Collaboration Agreement is terminated or not renewed on terms acceptable to us, it could have a material adverse effect on our business, results of operations and financial condition.**

We have entered into technical collaborations/Tie-ups with some of the leading/premier institutes and universities for transfer of technology for manufacturing of certain specific instruments. In terms of the Technical Collaboration Agreement, the leading/premier institutes and universities has agreed to provide our Company all its technical data, know-how, technology, right, expertise, technical assistance with respect to manufacturing of certain specific products on exclusive/non-exclusive/non-transferable basis. For details, please see “**Our Business**” on page 107 of this Prospectus. Although our Company maintains long-term relationship with the institutes/universities, there can be no assurance that we will continue to maintain such relationship with them in the future. Given that some of our products are dependent on receipt of know-how under the Technical Collaboration Agreement, any breach of the contractual terms of the agreement, or any inability to renew such agreement on acceptable terms or at all, suspension or termination thereof may adversely affect our business, results of operations and financial condition.

- 11. We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them.**

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Further, our Company has not appointed any exclusive agents for handling its operations. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. We have not entered in any agreement with our customers, we work on the basis of purchase order basis.

- 12. As part of our growth strategy, we intend to expand and increase our business operations in geographical areas where we have limited or no presence. We cannot assure you that our expansion plans will be profitable or that such expansion will not adversely affect our business, results of operations and financial condition.**

As part of our growth strategy, we intend to expand our global footprint in overseas as well as domestic market. Our management has projected some plans to scale up products for manufacturing and approach to marketing the products in overseas and domestic market. For further details, please see “**Our Business**” beginning on page 107 of this Prospectus. Our limited presence in international markets could make it difficult to evaluate our future prospects and the risks and challenges we may encounter.

If we fail to address the risks and difficulties that we may encounter related to future prospects, our business, financial condition, and results of operations could be adversely affected. If our assumptions regarding the risks and uncertainties, which we planned and to operate our business in foreign markets, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition, and results of operations could be adversely affected.

- 13. Our efforts to introduce new products are dependent on the success of our research and development initiatives. Our inability to successfully develop and commercialize new products in a timely manner could adversely impact our business, growth and financial condition.**

In order to remain competitive, we must develop, test and manufacture new/distinctive products, which must meet our customers’ standards and applicable regulatory standards. However, our investments in research and development for new products and processes may result in higher costs without proportionate increase in revenues. Any failure on our part to successfully identify and commercialize new products may have an adverse on our business, financial condition and results of operations.

Our ability to successfully introduce new and distinctive products also depends on our ability to adapt and invest in new technologies. There can be no assurance that we will be able to make timely investments in technological improvements in order to commercialize new products in a timely manner. Further, our competitors may launch competing or improved products. Delays or failure in developing new or commercially viable products could adversely affect our business, financial condition and results of operations.

**14. *We have only one manufacturing facility.***

Our manufacturing facility is located at Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India. As a result, any local social unrest, natural disaster, or breakdown of services and utilities in that area could have a material adverse effect on the business, financial position, and results of our operations. Our manufacturing facility is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, efficiency, obsolescence, labour disputes, strikes, lock-outs, non-availability of services of our external contractors, etc. In the event that we are forced to shut down our manufacturing facility for a significant period of time, it would have a material adverse effect on our earnings, our other results of operations, and our financial condition as a whole.

**15. *Our business is subject to seasonal and other fluctuations that may affect our cash flows and business operations.***

Our business and operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our orders received and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. This may result in delays in execution of orders and also reduce our productivity. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our order related activities may be delayed or reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in delays in the delivery of products etc.

**16. *The Company may face risks associated with business transactions with Government Entities or Agencies.***

We are supplying our products to diversified industries along with State Govt. Central Govt. and PSUs. The company may be exposed to risks associated with its business transactions with government entities or agencies. Transactions with government-owned or controlled entities and agencies may expose us to additional regulatory or other scrutiny. Contracts with government agencies are subject to uncertainties (including those associated with funding), procedural requirements, restrictions, and regulations including oversight audits by various government authorities and profit and cost controls. The loss of government contracts could have a material adverse impact on our business, financial condition, and results of operations. There may also be delays associated with the collection of receivables from government-owned or controlled entities, which could affect our liquidity and results of operations. Additionally, government contracts contain terms that expose the company to heightened levels of risk and potential liability than non-government contracts. We are subject to government audits, investigations, and proceedings, and violations of rules or regulations, failure to comply with contractual or other requirements, or failure to satisfy an audit could result in penalties including monetary damages and criminal and civil penalties. In addition, our government contracts could be terminated, we could be suspended or debarred from government contract work, or payment of our costs could be disallowed, which could harm our reputation and materially adversely affect our business, financial condition, and results of operations.

**17. *The Company may face risk related to hazards inherent in manufacturing process and product liability.***

Being involved in the design and manufacture of scientific and engineering instruments for research, industry, and education, the company is subject to hazards inherent in the manufacturing process, such as the risk of equipment failure, work accidents, fire or explosion, environmental damage, and other risks. These hazards could cause injury and loss of life, severe damage to or destruction of property and equipment, and environmental damage. We may also be subject to claims resulting from defects arising from our products and services, which could give rise to claims, liabilities, costs, and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations.

To mitigate these risks, we cover these risks through contractual limitations of liability, indemnities, and insurance. However, these policies may not always be effective in covering all the risks. The company may experience significant delays in recovering the insurance claim amount under these policies. Additionally, we may face challenges in recovering claims from clients who do not have adequate financial resources to meet their indemnity obligations to the company. We may also face losses from risks that are not addressed in our indemnity agreements or insurance policies. Failure to effectively cover ourselves against these risks could expose us to additional costs and potentially lead to material losses.

The occurrence of these risks may also adversely affect public perception about our operations and the perception of our suppliers, clients, and employees, leading to an adverse effect on our business. These liabilities and costs could have a material adverse effect on our business, results of operations, and financial condition.

**18. Our revenues are highly dependent on clients located in India. Any decline in the economic health of India could adversely affect our business, financial condition and results of operations.**

We majorly sell our products and services to clients located in India. If the economic conditions of India become volatile or uncertain or the conditions in the financial market were to deteriorate, especially in recent times due to the COVID-19 pandemic, or if there are any changes in laws applicable to our services and operations or if any restrictive conditions are imposed on us or our business, the pricing of our services may become less favourable for us. Further, our clients located in these geographies may reduce or postpone their spending significantly which would adversely affect our operations and financial conditions. Any reduction in spending on third party logistic services may lower the demand for our services and negatively affect our revenues and profitability.

**19. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

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

*₹ in lakhs*

Particulars	31-03-2023	31-03-2022	31-03-2021
Net cash generated/(used) from operating activities	205.88	258.34	41.12
Net Cash generated/(used) from investing activities	(20.64)	(183.93)	(54.20)
Net Cash generated/(used) from financing activities	(116.61)	3.90	48.46
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>68.62</b>	<b>78.30</b>	<b>35.38</b>

There can be no assurance that our net cash flows shall be positive in the future. Any negative cash flows in the future over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see **“Financial Statements as Restated”** beginning on page 188 of this Prospectus.

**20. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.**

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this prospectus. For Details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer the table below:

Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
Jolly Cyriac	37,00,800	0.57
Ishach Sainuddin	25,84,800	0.55

**21. We have issued Equity Shares in the last 12 (twelve) months at a price which is lower than the Issue Price.**

During the last 12 (twelve) months, we have issued Equity Shares at a price that is lower than the Issue Price, as set forth below.

Date of Issue	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Allotment
27-02-2023	70,00,000	10.00	-	Bonus Issue

The price at which Equity Shares have been issued by our Company in the immediately preceding one year is not indicative of the Issue Price at which the Equity Shares shall be issued and traded (subsequent to listing). For further details regarding such allotments, see **“Capital Structure”** on page 60 of this Prospectus.

22. ***We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.***

Our contingent liabilities as of March 31, 2023 were as follows:

Particulars	31.03.2023	31.03.2022	31.03.2021
Building tax claimed by the Kalamassery Municipality, Kerala	17.76	-	-
Bank Guarantee	29.83	-	-
<b>Total</b>	<b>47.59</b>	-	-

₹ in lakhs

For further details of the contingent liabilities and commitments of our Company as on March 31, 2023, see “**Financial Statement as Restated**” on page 188 of this Prospectus. If a significant portion of these liabilities materialize, fully or partly, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

23. ***We are required to furnish bank guarantees to our certain clients. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.***

We are required to provide financial and performance bank guarantees in favour of our certain clients. These guarantees are typically required to be furnished within stipulated period and remain valid up to certain period of time. We may not be able to continue obtaining new financial and performance bank guarantees required to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees, our ability to enter into new contracts could be limited and could have a material adverse effect on our business, results of operations and financial condition. Also, there may be scenarios where we may be unable to fulfil our obligations under the contracts entered into by us due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition.

24. ***Our Company’ insurance policies may not protect us against certain operational risks or claims by our employees.***

We maintain several insurance policies, including Burglary, insurance for Building and Plant & Machinery, Plant & Machinery and Finished Stocks. While it is believed that the insurance coverage maintained by the company would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by the company will be honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses. If we were to suffer loss or damage resulting from not obtaining or maintaining insurance or exceeding our insurance coverage, the loss would have to be borne by us and it could have a material adverse effect on our results of operations and financial condition.

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

We have obtained trademark registrations i.e.  under class 99 and “CRAMLOH” under class 9 under the Trade Marks Act, 1999 (“Trade Marks Act”). Any unauthorized use of our trademarks, by unrelated third parties may damage our reputation and brand. Preventing trademark infringement, particularly in India, is difficult, costly and time-consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details please refer to chapter titled “**Government and Other Approvals**” beginning on page 236 of the Prospectus.

**26. *Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.***

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on product and services is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

**27. *Our success depends on stable and reliable logistics and transportation infrastructure. Disruption of logistics and transportation services could impair the ability of our suppliers to deliver materials or our ability to deliver materials to our customers and/ or increase our transportation costs, which may adversely affect our operations.***

We rely on third party transportation and other logistic facilities for procurement of raw material from our suppliers and for transportation from our finish products to our customers. For this purpose, we hire services of transportation service providers. However, we have not entered into any definitive agreements with any transport service providers and engage them on a need basis. Additionally, availability of transport solutions in the market we operate in is typically fragmented. We do not enter into any definite agreements in relation to the transportation services we hire which poses various additional risks including our inability to claim insurance. Further, the cost of our goods carried by such third-party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-effective manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events.

Although we have not experienced any disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby affecting our operations and profitability.

**28. *If we are unable to manage/arrange funds (including at short notice) to meet our working capital requirements, there may be an adverse effect on our results of operations.***

Our business requires a significant amount of working capital to finance the purchase of raw materials before payments are received from customers. We cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under budget for our working capital requirements, in which case there may be delays in arranging the additional working capital requirements, which may delay the execution of contracts leading to loss of reputation, levy of liquidated damages, and an adverse effect on the cash flows. If we experience insufficient cash flows or are unable to borrow funds on a timely basis or at all to meet the working capital requirements, there may be an adverse effect on our results of operations. We may also be subject to fluctuations of interest rates for our financing. If we are unable to secure financing at favourable rates for this purpose, our ability to secure larger-scale contracts will be impeded and our growth and expansion plans will be materially and adversely affected which in turn will materially and adversely affect our future financial performance.

Our indebtedness is secured by charges over book debts and stocks. If we are unable to repay or refinance our outstanding indebtedness, or if we are unable to obtain additional financing on terms acceptable to us, we may be unable to implement our growth strategy, and our business, prospects, financial condition, and results of operations may be adversely affected.

29. ***Our management will have broad discretion in how we apply the Net Proceeds of the Issue and there is no assurance that the Objects of the Offer will be achieved within the time frame expected, or at all, or that the deployment of Net Proceeds in the manner intended by us will result in an increase in the value of your investment.***

We intend to use the Net Proceeds for the purposes described under the “**Objects of the Issue**” on page 73 of the Prospectus. The Objects of the Issue comprise (a) Funding Capital Expenditure towards Purchase of Additional Plant & Machinery, (b) funding incremental working capital requirements of our Company, (c) for issue related expenses, and (d) for general corporate purposes (the amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds). Further, our Objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in the rescheduling of the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular activity, subject to compliance with applicable law and the investment policies approved by our management. Further, pursuant to Section 27 of the Companies Act, 2013, any variation in the Objects of the Issue would require a special resolution of the shareholders, and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue, in accordance with applicable law.

In case of an increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the Objects of the Issue is lower than the proposed deployment, such balance will be used for future growth opportunities, including funding other existing objects, if required. If the estimated utilization of the Net Proceeds is not completely met in a fiscal year, it shall be carried forward.

30. ***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 Issue size is less than Rs. 10,000.00 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.

31. ***“Our inability to accurately forecast the total amount due to MSME Creditors may adversely affect our business operations and cash flows.***

Information as provided in Section-X: Legal and Other Information” under heading ‘Outstanding dues to Small Scale Undertakings or any other Creditors’ is based on the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 and as per restated financial statements. Our inability to accurately forecast the total number of MSME Creditors, total amount due to them, timely payment to MSME Creditors may adversely affect our business operations and cash flows.

32. ***Latent defects in our products may increase it’s after-sales cost or we may suffer losses on account of replacements/product recalls.***

Despite testing of our products prior to dispatch, errors, defects or performance issues, and/or latent defects may occur in existing products or new products. All major scientific instruments are warranted by our Company for a period of one year from the date of original purchase. Our Company will repair or replace a product, or part thereof, found by Holmarc to be defective, provided the defective part is returned to Holmarc, with proof of purchase. This warranty applies to the original purchaser and is non-transferable. We may have to incur additional costs to address these defects. Also, the recurrence of these problems may result in the delay or loss of market acceptance of our products, which may harm our business, market reputation and financial condition.

While we have not faced any instances of a product recall as on the date of this Prospectus, we may suffer losses on account of the replacement of products in case they fail to perform during warranty period provided by us to our customers. Such manufacturing defects would also result in loss of our goodwill.

If a supplier fails to meet quality standards, it could expose the Company to the risk of product liability claims or delay the production schedule for the Company's products. Any defects in products could also result in customer claims for damages. Furthermore, in defending such claims, substantial costs may be incurred and adverse publicity generated. While the Company obtains quality assurances from the suppliers, there can be no assurance that such assurances or warranties will be successfully obtained or enforced. In such instances, any product recalls would adversely affect the Company's business, results of operations, and financial condition.

**33. *Our debt financing agreements contain certain restrictive covenants that may adversely affect our Company's business, credit ratings, prospects, results of operations and financial condition.***

Certain debt financing agreements that our Company has entered into contain restrictive covenants that limit our ability to undertake certain types of transactions. Under our debt financing agreements our Company is required to maintain certain financial covenants.

There can be no assurance that our Company has complied with all such restrictive covenants in a timely manner or at all or that we will be able to observe compliance with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our debt financing agreements may result in termination of our financing agreements, levy of default interest, acceleration of all amounts due under such facilities and the enforcement of any security provided in relation thereto. Any acceleration of amounts due under such debt financing agreements may trigger cross-default or cross-acceleration provisions under other debt financing agreements, which may compel us to dedicate a substantial portion of our cash flow from operations or sell certain assets to make such payments thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, in the event of any of the circumstances coming into effect our business, prospects, results of operations and financial condition may be adversely affected.

**34. *Our continued success is dependent on our senior management and skilled manpower. Our inability to attract and retain key personnel may have an adverse effect on our business prospects.***

Our experienced promoters, directors and senior management have had a significant contribution to the growth of our business, and our future success is dependent on their continued services. An inability to retain any key management personnel may have an adverse effect on our operations. Our ability to execute orders and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We continue to face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In particular, we may be unable to compete with other larger companies for suitably skilled personnel due to their ability to provide more competitive compensation and benefits. The loss of any of the members of our senior management team, our whole-time directors, or other key personnel or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business, results of operations, financial condition, and growth prospects.

The success of our business is also dependent upon our ability to hire, retain, and utilize qualified personnel, including engineers, designers, technicians and corporate management professionals who have the required experience and expertise. We also place extensive reliance on our design and production department which is critical to our business as they design the products which are reviewed by our customers. From time to time, it may be difficult to attract and retain qualified individuals with the expertise and in the timeframe demanded by our clients, and we may not be able to satisfy the demand for our services because of our inability to successfully hire and retain qualified personnel. We may be unable to compete with our competitors for such qualified personnel because of more competitive salaries and benefits provided by them.

For every new product we expand into, we require suitably skilled personnel. Such skilled personnel may not be available in the market or we may not be able to compete with competitors for such qualified personnel because of more competitive salaries and benefits packages provided by them.

In addition, as some of our key personnel approach retirement age, we need to have appropriate succession plans in place and to successfully implement such plans. If we cannot attract and retain qualified personnel or effectively implement appropriate succession plans, it could have a material adverse impact on our business, financial condition, and the results of operations. Moreover, we may be unable to manage knowledge developed internally, which may be lost in the event of our inability to retain employees.

35. ***Certain relevant copies of educational qualification and experience certificates of our promoters/Directors are not traceable.***

Relevant copies of education qualification and experience certificates of Mr. Gopala Kurup Unnikrishna Kurup and Mr. Jayagosh Unni Srambikkal are not traceable. We can't assure you that back-ups for the relevant copies of educational qualifications and experience certificates will be available in a timely manner or at all. We have relied on personal undertakings provided from them.

36. ***Some of the details mentioned in the respective KYC Documents of our promoters and Directors are not same as other KYC documents.***

Details of promoters and management such as Name, Date of Birth, Address, etc. shall be incorporated in the Prospectus. While going through the KYC documents such as Aadhaar Card, PAN, Passport, Driving License and Voter ID, it was found that certain details mismatch with each other. There is mismatch in Name and Address details in the KYCs of some Directors and promoters.

37. ***In addition to our existing indebtedness for our operations, we may be required to obtain further loan during the course of business. There can be no assurance that we would be able to service our existing and/or additional indebtedness.***

In addition to our existing indebtedness for our existing operations we may be required to raise further debt in the form of term loans and working capital loans in the course of business. Increased borrowings, if any, would adversely affect our debt-equity ratio and our ability to further borrow at competitive rates. Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements could lead to a termination of one or more of our credit facilities, trigger cross default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations. For further details of our indebtedness, please refer to the chapter titled "**Financial Indebtedness**" on page 220 of this Prospectus.

38. ***We have not made any alternate arrangements for meeting our regular working capital requirements. If our operations do not generate the necessary cash flow, our working capital requirements may negatively affect our operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our working capital requirements, other than the existing sanctioned limits. We meet our additional working capital requirements through internal accruals. Any shortfall in internal accruals and our inability to raise debt would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations.

39. ***We are subject to risks resulting from foreign exchange rate fluctuations, which could adversely affect our results of operations.***

Our revenue from international operations in Fiscal 2023, Fiscal 2022 and Fiscal 2021 as a percentage of total revenue was 16.13%, 14.56% and 17.71%, respectively. Changes in currency exchange rates influence our results of operations.

Over dependence on exports may adversely affect our profitability in case the trade relations of India with any of these countries get strained in the future or these countries face any sort of problems due to internal issues of their countries. Also, the exchange rate between the Indian Rupee and currencies of the export countries may fluctuate and adversely affect our results of operations. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Indian Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long term.

40. ***Certain Agreements /deeds may be in the previous name of the company.***

Our certain agreements and deeds may be in the name of the erstwhile name of the company i.e., Holmarc Slides and Controls Private Limited. In case we fail to change the name in the agreements and deeds, it may cause adverse effect on Our company's business.

**41. Any destruction, breakdown, theft our major plants or equipment or failures to repair or maintain the same may adversely affect our business, cash flows, financial condition and results of operations.**

One of the objects of Issue is to fund the purchase of additional equipment. We are planning to invest significantly on plant and machinery of latest technology and higher capacity and efficiency for our manufacturing facility. We own a large number of equipment and machinery used in our operations. To maintain our capability to undertake jobs, we may have to purchase machines and equipment built with the latest technologies and knowhow. We cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, which may result in their unavailability, project delays, cost overruns and even defaults in our order book.

The latest technologies used in newer models of equipment may improve productivity significantly and render our older equipment obsolete. Obsolescence, destruction, theft or breakdowns of our major plants or equipment may significantly increase our equipment purchase cost and the depreciation of our plants and equipment, as well as change the way our management estimates the useful life of our plants and equipment. We may have to incur high cost when our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such replacement, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect on our business, cash flows, financial condition and results of operations.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customer's discretion 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 contracting parties may default or otherwise fail to pay amounts owed. Any material delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and revenue of our company. Further, we operate in competitive markets in relation to our products where it is difficult to predict whether and when we will receive such awards. As a result, our results of operations can fluctuate from quarter to quarter and year to year depending on whether and when such orders are awarded to us and the commencement and progress of work under the orders placed. For further details of our business, please refer chapter titled "**Our Business**" beginning on Page 107 of this Prospectus.

**43. Some of the KMPs is associated with our company for less than one year.**

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter "**Our Management**" beginning on page 153 of this Prospectus.

**44. Our manufacturing Unit is situated in Ernakulam, Kerala and our operations may be affected by various factors associated with the region where we operate.**

Our manufacturing Unit is located in the state of Kerala. This concentration of our business in state of Kerala, subjects us to various risks, including but not limited to the following risks:

- regional slowdown;
- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Kerala;
- constraints on our ability to diversify across states;

Further, since our manufacturing operations are concentrated in Kerala; any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing Unit. Consequently, our business, results of operations, cash flows and financial condition may be adversely affected.

**45. *Cost escalation due to foreign exchange fluctuations towards import of new machinery.***

We have obtained Quotations for the Machinery to be imported from the supplier but the cost of the same is estimated only and not fixed as it is subject to foreign exchange rate fluctuations and may vary as per the exchange rate prevailing while placing the order. If due to much fluctuations there is higher difference between the estimated and the actual, then there will be material adverse effect on cost of expansion of project, implementation and its funding.

**46. *Delays or defaults in customer payments could adversely affect our financial condition.***

We are exposed to payment delays and/or defaults by our customers and our financial position and financial performance are dependent on the creditworthiness of our customers. Further, we may not receive advance payment from our customers after signing the purchase orders. Delays in customers' payments may require us to make a working capital investment. If a customer defaults in making payments where we have devoted significant resources or where we have invested significant resources is delayed, cancelled, or does not proceed to completion, it could have an adverse effect on our operating results. For the Fiscal ending March 31, 2023, 2022, and 2021, our trade receivables were ₹ 612.81 lakhs, ₹ 459.34 lakhs, and ₹ 508.21 lakhs, respectively. However, in the past, our Company has not faced any such instance of default but there is no guarantee that the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

**47. *Our Company's warehouse/godown is not owned by us. The said facility has been taken on rent from Kerala State Small Industries Association. In the event we lose such rights, our business, financial condition and results of operations, and cash flows could be adversely affected.***

The premises situated at Ground Floor Room, in Building No. 11/673, HMT Industrial Estate, Kalamassery, used as warehouse/godown by our Company for the purpose of storage of our manufactured products have been obtained on rent basis from Kerala State Small Industries Association, for a period of 11 months commencing from January 05, 2023 for a rent of Rs.1.15 Lacs. We cannot assure you that we will be able to renew our rent agreement or enter into new agreements in the future, on terms favourable to us, or at all. In the event that the rent agreement is not renewed, we will be required to expend time and financial resources to locate suitable land or building to set up our storage facility. Also, we may be unable to relocate to an appropriate location in a timely manner, or at all, and we cannot assure you that a relocated premise will be as commercially viable. If the rent agreement is terminated, prior to its tenure or if it is not renewed, or if we are required to cease operations at the property, for any reason whatsoever, our business, financial condition, and results of operations may be adversely affected. Further, if the vacated property is rented, leased or sold to a competitor, we may also face increased competition in that geographic area, which could adversely affect our market share. For further information on our properties, see "**Our Business**" on page 107 of this Prospectus.

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

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

- 49. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

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

- 50. *Major fraud, lapses of internal control or system failures could adversely impact the company's business.***

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures etc. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

- 51. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

- 52. *Some of the approvals are required to be updated consequent to the change in the name of our Company.***

The name of our Company has been changed from Holmarc Opto-Mechatronics Private Limited to Holmarc Opto-Mechatronics Limited. Due to such change, our Company is required to change its name in all approvals, licenses, registrations and permits in the name of Holmarc Opto-Mechatronics Limited. While we have updated our name in some of the registrations, permits or approvals, we are still required to update our name in some of the remaining registrations, permits or approvals i.e. Trade License and Consent to Operate.

- 53. *Our lenders have charge over our book debts, stocks in respect of finance availed by us.***

We have secured our lenders by creating a charge over our book debts, stocks in respect of loans / facilities availed by us from banks. The total amounts outstanding and payable by us as secured loans were ₹ 132.41 Lakhs as on March 31, 2023. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the "**Financial Indebtedness**" please refer to page 220 of this Prospectus.

- 54. *Excessive dependence on Canara Bank in respect of Loan facilities obtained by our Company.***

Our company has been sanctioned credit facilities by Canara Bank. The Company is dependent on such facility for its Overdraft facilities and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

- 55. *Our Promoters have provided personal guarantees for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees provided by our Promoter.***

Our Promoters have provided personal guarantees to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoters may be required to liquidate their shareholding in

our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Also, if our Promoters revoke their personal guarantees and we may not be successful in procuring alternate guarantees and property satisfactory to the lenders, as a result we may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “**Financial Indebtedness**” on page no. 220 of this Prospectus.

**56. *We provide after sales service to our customers. Any failure or deterioration of after sale service could have an adverse effect on our business, reputation, results of operations or financial condition.***

We believe that our ability to provide effective after sales service has played a huge part in our success. Effective after sales service ensures repeat customers and also adds to our brand value. We cannot guarantee that we will be able to maintain the standard and quality of our after-sale services considering the volumes and the increasing number of customers across geographical territories coupled with the complexity of the requirements of diverse segment of customers. The performance and quality of our after sales service to our customers is critical to the success of our business. The effectiveness and quality of our after sales service depends significantly on the engineers’ skill and experience which in turn is dependent on the quality of training. We cannot give any assurance that training given to the field service engineers is adequate or that they will continue to provide services after completion of their training. Any failure or deterioration of after sale service could have an adverse effect on our business, reputation, results of operations or financial condition.

**57. *An inability to renew quality accreditations in a timely manner or at all, or any deficiencies in the quality of our products may adversely affect our business prospects and financial performance.***

We obtain and maintain quality certifications and accreditations from independent certification entities and also comply with prescribed specifications and standards of quality approved by the Government in connection with the products we manufacture. Such specifications and standards of quality is an important factor in the success and wide acceptability of our products. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, in a timely manner or at all, our business prospects and financial performance will be materially and adversely affected.

**58. *We have in the past encountered delays in the implementation and execution of our orders.***

We have in the past encountered delays in relation to the completion of our orders, primarily due to delays in handing over the products to our customers. Also, we have been levied liquidated damages by our customers due to delays attributable to us on account of delays in receipt of products. There can be no assurance that future orders will be completed in the estimated time frame. We cannot assure that all potential liabilities that may arise from delays will be covered or that the damages if any, that may be claimed from customers/third parties for such delay, shall be adequate to cover any loss of profits resulting from such delays. Further, any delay in completing our orders may also result in an increase in the total cost of implementing the contract which could exceed the original estimate or further cost escalation. Such delays and cost overruns will adversely affect our business, cash flows, and results of operations.

**59. *We have entered into, and will continue to enter into, related party transactions.***

We have entered into and may in the ordinary course of our business continue to enter into transactions with related parties that include certain of our Promoter, Promoter Group, Directors, and Key Managerial Personnel. For further details in relation to our related party transactions, see “**Restated Financial Statements - Related Party Transaction**” beginning on page 218 of this Prospectus. While we have entered into such transactions on an arm’s length basis, there is no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

**60. *Shortage or non-availability of essential utilities such as electricity could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our business operation is heavily dependent on continuous supply of electricity which is critical to our manufacturing operations. While our power requirements are met through Kerala State Electricity Board Limited, in our manufacturing facility, we cannot assure you that these will be sufficient and, or, that we will not face a shortage of electricity despite these arrangements. Further, any shortage or non-availability of electricity could result in temporary shut-down of a part, or all, of our operations at the location experiencing such shortage. Such shut-downs could, particularly if they are for prolonged periods, have an adverse effect on our business, results of operations and financial condition.

**61. *Non-availability of initial period secretarial/statutory records of the company filed with ROC since incorporation.***

Since the company was incorporated on February 11, 1993, our Company is unable to trace certain corporate and other documents such as copies of certain prescribed forms filed with the RoC relating to allotment of shares, Increase in authorized capital etc., from the date of our incorporation up to 2006. While we believe that we had filed these forms with the RoC in a timely matter, we have not been able to obtain copies of these forms. While there is no outstanding litigation or regulatory proceeding on the date of this Prospectus which requires these forms, there can be no assurance that these forms will not be required in the legal proceedings in the future. We cannot assure you that we will be able to locate or obtain access to the documentation pertaining to such historical, legal and secretarial data or information or that we will not be subject to any penalty imposed by any relevant regulatory authority due to our inability to locate or obtain access to such documentation.

**62. *We may not be able to secure new contracts and/or customers.***

Our Revenues are order-based and non-recurring. We, therefore, have to continuously and consistently secure new customers and orders. While executing our orders, we need to ensure that our products are the best value-for-money products that is available in the market. For making our products to have the best value-for-money product, while ensuring that we make sufficient margins from the sale of our products, we have to ensure that our designs, the functioning of our teams and the after sales services are most efficient when compared with those of our competitors. For instance, during the execution of our orders, our design and manufacturing team designs the product before its production, and on the basis of such design, the requirement of raw material is determined. With greater access to technology, we expect our design and engineering team to design a product with the least possible raw materials without compromising on the safety and stability of the product. Any increase in the raw material value of our products would consequently increase the cost of such order. There is no assurance that our competitors will not be able of increase the designing efficiency of the product by using the latest, state of the art technology.

There is no assurance that we will be able to provide our products to the customers in the most efficient manner resulting in securing new customers and projects. Executing profits with lower margins also affects our profitability. As such, our profitability and financial performance will depend on our ability to secure new projects that are profitable on a regular basis. If we are unable to do so for any reason, our profitability and financial performance will be materially and adversely affected.

**63. *An inability to manage our growth could disrupt our business and reduce our profitability.***

We have experienced continuous growth in the preceding years. We expect our business to grow as a result of our plans to expand further. We expect any growth in our business to place additional demands on us and require us to continuously evolve and improve our operational, financial, and internal controls across the organization. In particular, continued expansion increases the challenges involved in:

- i) maintaining high levels of client satisfaction;
- ii) recruiting, training, and retaining sufficient skilled management, technical and marketing personnel;
- iii) adhering to health, safety and environment and quality and process execution standards that meet client expectations;
- iv) preserving a uniform culture, values, and work environment in operations; and
- v) developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

Our ability to implement our business plans depend on, inter alia, global economic conditions, our capital resources, our R&D capabilities for new products and technology solutions, our ability to commercially realise the R&D results, our ability to obtain any necessary government or regulatory approval or licenses, and the availability of management, financial and other resources.

The success of our business will depend greatly on our ability to implement our business and strategies effectively. Even if we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our financial, operating, and other internal controls. Our inability to manage our business and strategies could have an adverse effect on our business, financial condition, and profitability.

**64. *Our Directors and certain Key Management Personnel hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Certain of our Directors and Key Management Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. There can be no assurance that our Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For details, see the section titled “*Capital Structure*” on Page 60 of the Prospectus. There is no assurance that our Directors and/or our key management personnel will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future.

**65. *The Promoter and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.***

Upon completion of this Issue, our Promoter and Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by the applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**66. *We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.***

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by working capital debt facilities and increases in interest rate (and consequent increase in the cost of servicing such debt) may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions from time to time, there can be no assurance that these agreements will protect us adequately against interest rate risks.

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

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

For Details of our financial ratios, please refer chapter titled “*Financial Information as Restated*” beginning on Page 188 of this Prospectus.

**68. *The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.***

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results of operation. Its business, results of operations and financial conditions may be adversely affected by, inter alia, a decrease in the growth and demand for the products and services offered by us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled "**Financial Information as Restated**" beginning on Page 188 of this Prospectus.

**69. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes amounting to ₹ 150.00 lakhs which constitute 13.16% of the total Issue Proceeds.***

As on date we have not identified the use of such funds. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes amounting to ₹ 150.00 lakhs which constitute 13.16% of the total Issue Proceeds. As on the date of this Prospectus, we have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled "**Objects of the Issue**" beginning on Page 73 of this Prospectus.

**70. *Our Board of Directors and management may change our operating policies and strategies without prior notice or shareholder approval.***

Our Board of Directors and management has the authority to modify certain of our operating policies and strategies without prior notice (except as required by law) and without shareholder approval. We cannot predict the effect that any changes to our current operating policies or strategies would have on our business, operating results and the price of our Equity Shares.

**71. *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.

**B. Issue Related Risks**

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

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter "**Objects of the Issue**" on page 73 of this Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**73. *There is no guarantee that our Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the Emerge Platform of National Stock Exchange of India Limited within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

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

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

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

The Issue price is based on numerous factors and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that you will be able to resell your Shares at or above the Issue Price. Among the factors that could affect our Share price are: quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net profit and income; changes in income or earnings estimates or publication of research reports by analysts; speculation in the press or investment community; general market conditions; and domestic and international economic, legal and regulatory factors unrelated to our performance.

**76. *After this Issue, the price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not be sustained.***

Prior to this Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained upon the completion of this Issue. The initial public offering price of the Equity Shares offered hereby was determined through our negotiations with the LM and may not be indicative of the market price of the Equity Shares after this Issue. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, among other factors:

- variations in our operating results and the performance of our business;
- regulatory developments in our target markets affecting us, our customers, or our competitors;
- changes in financial estimates by securities research analysts;
- addition or loss of executive officers or key employees;
- loss of one or more significant customers;
- the performance of the Indian and global economy;
- significant developments in India's economic liberalization and deregulation policies, and the fiscal regime;
- volatility in the Indian and global securities markets;
- performance of our competitors and perception in the Indian market about investment in our industry; and
- adverse media reports, if any, on our Company, or the industry.

Many of these factors are beyond our control. There has been recent volatility in the Indian stock markets and our share price could fluctuate significantly as a result of such volatility in the future. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

- 77. *The investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

We have applied to National Stock Exchange of India Limited to use its name as the Stock Exchange in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a delay in listing the Equity Shares on the Emerge Platform of National Stock Exchange of India Limited. Any delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

Once listed, we would be subject to circuit breakers imposed by 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 on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this 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.

- 79. *Any future issuance of Equity Shares may dilute the investors' shareholdings or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by us or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares and our Company's ability to raise capital through an issue of securities. In addition, any perception by potential investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally, the disposal, pledge or encumbrance of our Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of our Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

- 80. *Our Company has paid dividends in the past and there can be no assurance that we will pay dividends in future.***

Our ability to pay dividends in the future will depend upon a variety of factors such as future earnings, financial condition, cash flows, working capital requirements, and restrictive covenants in our financing arrangements. Our Company has paid dividends in the past and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our ability to pay dividends could also be restricted under the existing or certain financing arrangements that we may enter into.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "**Dividend Policy**" on page 187 of this prospectus.

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

Under the current Indian Income Tax provisions, all transactions of purchase and sales of securities on Indian stock exchanges are subject to levy of securities transaction tax (STT) which will be collected by respective stock exchange on which the securities are transacted. Accordingly, the Indian Income Tax Act has special capital gains tax provisions for all transactions of purchase and sale of equity shares carried out on the Indian Stock Exchanges. Under the current Indian Income Tax provisions, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

**83. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**84. *Foreign investors may be restricted in their ability to purchase or sell Equity Shares.***

Under 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 and reporting requirements specified by the RBI or in the alternate, the pricing is in compliance with the extant provisions of SEBI ICDR Regulations. If the transfer of shares is not in compliance with such pricing or reporting requirements and does not 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 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. We cannot assure that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

**85. *The investors may be restricted in their ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of their ownership position.***

Under the Companies Act, 2013, a Company incorporated in India must offer its holders of shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution. However, if the law of the jurisdiction the investors are in does not permit them to exercise their pre-emptive rights without us filing an offering document or registration statement with the applicable authority in the jurisdiction they are in, they will not be able to exercise their pre-emptive rights unless we make such a filing. If we elect not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for the investors' benefit. The value such custodian would receive upon the sale of such securities if any, and the related transaction costs cannot be predicted. To the extent that the investors' are unable to exercise pre-emptive rights granted in respect of the Equity Shares, their proportional interest in us would be reduced.

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

The Companies Act and related regulations, the Articles of Association, and the Listing Agreements to be entered into with the Stock Exchange govern the corporate affairs of the Company. The Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

**87. *Our Equity Shares are quoted in Indian Rupees in India, and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.***

Investors are subject to currency fluctuation risk and convertibility risk since the Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. The volatility of the Indian Rupee against the U.S. dollar and other currencies subjects investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

**EXTERNAL RISK FACTORS**

**88. *The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, lock down of cities and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and service providers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients, and those of our respective service providers. There is currently substantial medical uncertainty regarding COVID-19. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks

posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company. The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure; disruptions or restrictions on our employees' and suppliers' ability to work and travel; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margin.

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

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. Please refer to **"Key Industry Regulations and Policies"** on page 137 of this Prospectus for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Our Company will comply with relevant regulations as and when applicable. However, any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

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

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

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

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients 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 profitability and, if significant, on our financial condition.

**92. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

**93. *We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the “IFRS Convergence Note”). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders’ equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

**94. *Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as “systemic risk,” may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

**95. *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.

**96. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

The present Issue of 28,50,000 Equity Shares in terms of prospectus has been authorized pursuant to a resolution of our Board of Directors held on May 23, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Annual General Meeting of the members held on May 30, 2023.

The following is the summary of the Issue:

PARTICULARS	DETAILS
<b>Present Issue <sup>(1)</sup></b>	Up to 28,50,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹ 1,140.00 Lakhs.
<b>Out of which:</b>	
Market Maker Reservation Portion	Up to 1,44,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹57.60 Lakhs.
Net Issue to the Public <sup>(2)</sup>	Up to 27,06,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹ 1,082.40 Lakhs.
<b>Out of which:</b>	
Allocation to Retail Individual Investors for up to Rs. 2.00 lakh	13,53,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹541.20 Lakhs.
Allocation to other investors for above Rs. 2.00 lakh	13,53,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹541.20 Lakhs.
<b>Pre- and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	72,00,000 Equity Shares having face value of ₹10/- each
Equity Shares outstanding after the Issue*	1,00,50,000 Equity Shares having face value of ₹10/- each
<b>Objects of the Issue</b>	Please refer to the section titled “ <b>Objects of the issue</b> ” beginning on page no. 73 of this prospectus.
<b>Issue Opens on</b>	September 15, 2023
<b>Issue Closes on</b>	September 20, 2023

\*Assuming Full Allotment

<sup>(1)</sup> The present Issue is being made by our Company in terms of Regulation 229(2) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription

<sup>(2)</sup> This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

(a) Minimum 50% to the 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 clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled “**Terms of the Issue**” beginning on page 251 of this prospectus.

## SUMMARY OF FINANCIAL INFORMATION

### STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

in Inr '00,000

Particulars	Note No.	As on		
		31-Mar-23	31-Mar-22	31-Mar-21
<b>Equity &amp; Liabilities</b>				
<b>1. Shareholders Fund</b>				
a) Share capital	I.1	720.00	20.00	20.00
b) Reserves and surplus	I.2	439.93	803.80	668.60
<b>Total Shareholder's Fund</b>		<b>1,159.93</b>	<b>823.80</b>	<b>688.60</b>
<b>2. Non Current Liabilities</b>				
a) Long Term Borrowings	I.3	99.83	128.64	38.39
b) Deferred Tax Liability	I.4	-	-	-
c) Long Term Provisions	I.5	138.67	258.68	246.38
<b>Total Non Current Liabilities</b>		<b>238.51</b>	<b>387.32</b>	<b>284.78</b>
<b>3. Current Liabilities</b>				
a) Short Term Borrowings	I.6	33.85	77.73	127.87
b) Trade Payables	I.7	40.24	28.33	37.35
c) Other Current Liabilities	I.8	122.79	112.32	84.86
d) Short Term Provisions	I.9	63.53	37.82	23.72
<b>Total Current Liabilities</b>		<b>260.42</b>	<b>256.20</b>	<b>273.80</b>
<b>Total Equity &amp; Liability</b>		<b>1,658.86</b>	<b>1,467.32</b>	<b>1,247.18</b>
<b>Asset</b>				
<b>4. Non-Current Assets</b>				
a) Property Plant and Equipments and Intangible Assets				
- Property Plant and Equipments		484.75	542.76	408.93
- Intangible Assets	I.10	0.17	0.40	0.40
- Work-In-Progress		-	-	-
<b>Total Property Plant and Equipments and Intangible Assets</b>		<b>484.92</b>	<b>543.16</b>	<b>409.33</b>
b) Non - current Investments	I.11	29.73	29.73	25.03
c) Deferred Tax Assets (Net)	I.4	52.35	70.38	67.10
d) Other Non- current Assets	I.12	16.37	15.66	31.50
<b>Total Non Current Assets</b>		<b>583.37</b>	<b>658.94</b>	<b>532.96</b>
<b>5. Current assets</b>				
a) Inventories	I.13	210.91	160.10	100.33
b) Trade Receivables	I.14	612.81	459.34	508.21
c) Cash and Cash Equivalents	I.15	227.60	158.98	80.67
d) Short Term Loans and advances	I.16	10.78	13.40	16.15
e) Other Current Assets	I.17	13.39	16.56	8.86
<b>Total Current Assets</b>		<b>1,075.49</b>	<b>808.38</b>	<b>714.23</b>
<b>Total Assets</b>		<b>1,658.86</b>	<b>1,467.32</b>	<b>1,247.18</b>

*For further details, kindly refer the chapter titled "Financial statement as Restated" beginning on page 188 of this prospectus.*

## STATEMENT OF PROFIT &amp; LOSS, AS RESTATED

in Inr '00,000

Particulars	Note No.	For the Year ended on		
		31-Mar-23	31-Mar-22	31-Mar-21
<b>Income</b>				
Revenue from Operations	II.1	2,903.67	2,102.34	1,553.06
Other Income	II.2	14.77	15.50	20.28
<b>Total Revenue</b>		<b>2,918.44</b>	<b>2,117.84</b>	<b>1,573.34</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	792.70	502.04	364.93
Change in Inventories	II.4	(74.89)	11.57	(48.64)
Employee Benefit Expenses	II.5	1,222.95	991.07	838.34
Other Expenses	II.6	461.11	311.95	252.75
<b>Total Expenses</b>		<b>2,401.88</b>	<b>1,816.63</b>	<b>1,407.39</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>516.56</b>	<b>301.21</b>	<b>165.95</b>
Depreciation & Amortisation Expenses	I.10	84.99	63.74	54.04
<b>Profit Before Interest and Tax</b>		<b>431.57</b>	<b>237.47</b>	<b>111.91</b>
Financial Charges	II.7	23.92	16.22	12.40
<b>Profit before Taxation</b>		<b>407.65</b>	<b>221.25</b>	<b>99.51</b>
Extraordinary Items	II.8	73.84	-	(2.19)
<b>Profit before Taxation but after Extraordinary items</b>		<b>481.49</b>	<b>221.25</b>	<b>97.32</b>
Provision for Taxation		107.32	69.34	45.67
Provision for Deferred Tax	II.9	18.03	(3.29)	(17.15)
<b>Total</b>		<b>125.35</b>	<b>66.06</b>	<b>28.52</b>
<b>Net Profit after adjustments</b>		<b>356.14</b>	<b>155.19</b>	<b>68.80</b>

For further details, kindly refer the chapter titled “Financial statement as Restated” beginning on page 188 of this prospectus.

## STATEMENT OF CASH FLOW, AS RESTATED

in Inr '00,000

PARTICULARS	For the Year ended on		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	481.49	221.25	97.32
Adjusted for :			
a. Depreciation	84.99	63.74	54.04
b. Interest Expenses & Finance Cost	23.92	16.22	12.40
c. Other Adjustments		-	-
d. Interest & Other Income	(6.81)	(2.51)	(3.14)
e. Long term provision	(120.01)	12.30	63.93
<b>Operating profit before working capital changes</b>	<b>463.59</b>	<b>311.00</b>	<b>224.54</b>
Adjusted for :			
a. Decrease /(Increase) in Inventories	(50.81)	(59.76)	(24.12)
b. Decrease / ( Increase ) in trade receivable	(153.48)	48.87	(96.74)
c. Decrease / ( Increase ) in Current Investments	-	-	-
d. ( Increase ) / Decrease in short term loans and advances	2.62	2.75	1.52
e. Increase / ( Decrease ) in Trade Payables	11.91	(9.02)	(4.39)
f. Increase / (Decrease) in short term provisions	25.72	14.09	(11.40)
g. Increase / ( Decrease ) in other current liabilities	10.47	27.46	(32.76)
h. ( Increase ) / Decrease in Other Current Assets	3.18	(7.70)	30.13
<b>Cash generated from operations</b>	<b>313.19</b>	<b>327.68</b>	<b>86.79</b>
Net Income Tax (Paid)/Refund	(107.32)	(69.34)	(45.67)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>205.88</b>	<b>258.34</b>	<b>41.12</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. (Purchase) Sale of Fixed Assets	(26.75)	(197.58)	(44.95)
b. (Purchase) / Sale of non-current investment	-	(4.71)	(17.27)
c. ( Increase ) / Decrease in Other Non Current Assets	(0.71)	15.84	4.88
d. Interest & Other Income	6.81	2.51	3.14
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(20.64)</b>	<b>(183.93)</b>	<b>(54.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest & Finance Cost	(23.92)	(16.22)	(12.40)
b. Dividend Paid	(20.00)	(20.00)	-
c. Proceeds from share issued including Premium	-	-	-
d. ( Repayments ) / proceeds of long term borrowings	(28.81)	90.25	12.01
e. ( Repayments ) / proceeds of short term borrowings	(43.87)	(50.14)	48.85
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>(116.61)</b>	<b>3.90</b>	<b>48.46</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>68.62</b>	<b>78.30</b>	<b>35.38</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>158.98</b>	<b>80.67</b>	<b>45.29</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>227.60</b>	<b>158.98</b>	<b>80.67</b>

For further details, kindly refer the chapter titled “Financial statement as Restated” beginning on page 188 of this prospectus.

## SECTION V: GENERAL INFORMATION

### GENERAL INFORMATION

Our Company was originally incorporated as Private Limited Company in the name of “*Holmarc Slides and Controls Private Limited*” on February 11, 1993 under the provision of the Companies Act, 1956 bearing Registration No. 09-06984 issued by Registrar of Companies, Kerala. Subsequently, the name of our Company was changed to “*Holmarc Opto-Mechatronics Private Limited*” vide a fresh Certificate of Incorporation consequent upon Change of Name dated May 01, 2007 bearing Corporate Identification Number U33125KL1993PTC006984 issued by Registrar of Companies, Kerala and Lakshadweep. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “*Holmarc Opto-Mechatronics Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 11, 2021 bearing Corporate Identification Number U33125KL1993PLC006984 issued by Registrar of Companies – Ernakulam. For further details of change in name and registered office of our company, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 147 of the Prospectus.

Brief of Company and Issue Information	
<b>Registered &amp; Corporate Office</b>	<b>Holmarc Opto-Mechatronics Limited</b> Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India <b>Contact Person:</b> Ms. Vallath Parvathy <b>Contact No:</b> +91 484 2953780 <b>Email ID:</b> <a href="mailto:cs@holmarc.com">cs@holmarc.com</a> <b>Website:</b> <a href="http://www.holmarc.com">www.holmarc.com</a>
<b>Date of Incorporation</b>	February 11, 1993
<b>Corporate Identification Number</b>	U33125KL1993PLC006984
<b>Company Category</b>	Company Limited by Shares
<b>Company Subcategory</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies - Ernakulam</b> 1st Floor, Company Law Bhawan, BMC Road, Ernakulam - 682021, Kerala, India,
<b>Designated Stock Exchange<sup>^</sup></b>	<b>National Stock Exchange of India Limited,</b> SME EMERGE Platform of NSE (“NSE EMERGE”) Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Vallath Parvathy</b> <b>Holmarc Opto-Mechatronics Limited</b> Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India <b>Contact No:</b> +91 484 2953780 <b>Email ID:</b> <a href="mailto:cs@holmarc.com">cs@holmarc.com</a> <b>Website:</b> <a href="http://www.holmarc.com">www.holmarc.com</a>
<b>Chief Financial Officer</b>	<b>Mr. Ishach Sainuddin</b> <b>Holmarc Opto-Mechatronics Limited</b> Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India <b>Contact No:</b> +91 484 2953780 <b>Email ID:</b> <a href="mailto:ishach@holmarc.com">ishach@holmarc.com</a> <b>Website:</b> <a href="http://www.holmarc.com">www.holmarc.com</a>

Brief of Company and Issue Information	
<b>Peer Review / Statutory Auditor of the company</b>	<b>M/s. G. Joseph &amp; Associates.,</b> Chartered Accountants 37/2038, First Floor, Muttathil Lane, Kadavanthra, Cochin – 682020, Kerala, India <b>Contact Person:</b> Mr. Allen Joseph <b>Email ID:</b> allen.joseph@gja.co.in <b>Contact No.:</b> +91 90483 06882 <b>Designation:</b> Partner <b>Membership No.:</b> 228498 <b>Firm Registration No:</b> 006310S <b>Peer Review Certificate No:</b> 012867, Valid upto February 29, 2024

^ In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to NSE on the EMERGE Platform only for listing of our equity shares.

### Board of Directors of Our Company

Our Company's Board comprises of the following Directors:

Sl. No.	Name of the Director	DIN	Current Designation	Age	Address
1	Jolly Cyriac	00409364	Managing Director	58	Kakkattuchira, Friends Valley, Thrikkakkara P O, Vadacode, Ernakulam-682021, Kerala, India
2	Ishach Sainuddin	00409402	Wholetime Director	57	Thenguvila, 7/633 H Friends Valley Seaport Air Port Road, Thrikkakara P O, Vadacode, Ernakulam-682021, Kerala, India
3	Jaya Jolly	09723618	Wholetime Director	53	Kakkattuchira, Friends Valley, Thrikkakkara P O, Vadacode, Ernakulam-682021, Kerala, India
4	Gopala Kurup Unnikrishna Kurup	07622598	Wholetime Director	78	Krishnakripa, Cheranalloor Road, Manjummel P O, Udyogamandal S.O, Ernakulam-683501, Kerala, India
5	Jayagosh Unni Srambikkal	09257206	Wholetime Director	64	Srambikkal House, Parayil Road, Elamakkara S.O, Ernakulam-682026, Kerala, India
6	Vellachalil Ramakrishnan Sanjaykumar	09257141	Wholetime Director	50	Vellachalil, Mulanthuruthy, Ernakulam-682314, Kerala, India
7	Abdul Rasheed Aledath Kochunni	09257188	Wholetime Director	42	Aledath House Karachottimoola Road, Kuzhivelippady, VTC: Aluva East, District: Enakulam, State: Kerala, Pin Code 683561
8	Jim Jose Punnackal Josey	09257264	Wholetime Director	46	Punnackal House, Edathala North, Kakkadambilly Road, Aluva, Ernakulam-683561, Kerala, India
9	Lijo George	09257355	Wholetime Director	41	Poliyakudy House, Nellikuzhi P.O, Edanadu, Kothamangalam, Thrikkariyoor (Part), Ernakulam-686691, Kerala
10	Pottekkattu Muhammed Muhammedshafi	09257403	Wholetime Director	39	Pottekattil House, Edayakkunnam, South Chittoor, Ernakulam-682027, Kerala, India
11	Ananthavally Raghavan Satheesh	09751547	Independent Director	63	Bodhi, Mannoppilly Nagar, Cochin University P O, Thrikkakara North (Part), Ernakulam-682022, Kerala, India
12	Reji Zachariah	07402596	Independent Director	54	Areekal House, 1st Sonooro Church Cross Road, Opp Radisson Blue Hotel, Elamkulam, Kadavanthara, Ernakulam-682020, Kerala, India
13	Sajeev Plavita Gopinathan Nair	02602190	Independent Director	53	1C First Floor, Sreelakshmi Apartment, Amrita Lane, Eror North, Tripunithura Nadama Village, Ernakulam-682306, Kerala, India

Sl. No.	Name of the Director	DIN	Current Designation	Age	Address
14	Tracy Tulassne Caesar	07459768	Independent Director	40	1/1298 A 1/1321 D, North Thamaraparambu, Fort Kochi, Kochi, Ernakulam-682001, Kerala, India
15	Anju Poulose Maliyakkal	10132996	Independent Director	38	Champlipad, Palal Gardens, CSEZ PO, VTC: Cochin Special Economic Zone, District: Ernakulam, State: Kerala, Pin-682037

For further details of the Board of Directors, please refer to the Section titled “Our Management” beginning on page no 153 of this prospectus.

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

LEAD MANAGER	REGISTRAR TO THE ISSUE
<b>FINSHORE MANAGEMENT SERVICES LIMITED</b> ‘Anandlok’, Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal <b>Telephone:</b> 033 – 2289 5101 / 4603 2561 <b>Email:</b> info@finshoregroup.com <b>Website:</b> www.finshoregroup.com <b>Investor Grievance Email:</b> investors@finshoregroup.com <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185 <b>CIN:</b> U74900WB2011PLC169377	<b>CAMEO CORPORATE SERVICES LIMITED</b> "Subramanian Building", #1, Club House Road, Chennai - 600 002, India <b>Telephone:</b> +91-44-40020700, 28460390 <b>Facsimile:</b> +91-44-28460129 <b>Email:</b> ipo@cameoindia.com <b>Contact Person:</b> Ms. K. Sreepriya <b>Website:</b> www.cameoindia.com <b>SEBI Registration Number:</b> INR000003753 <b>CIN:</b> U67120TN1998PLC041613
BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR TO THE ISSUE
<b>ICICI Bank Limited</b> Capital Market Division, 163, 5 <sup>th</sup> Floor, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai-400020 <b>Tel No.:</b> 022 - 68052182 <b>Email:</b> varun.badai@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Mr. Varun Badai	<b>J. MUKHERJEE &amp; ASSOCIATES</b> D-1, MMS Chambers, 1 <sup>st</sup> Floor, 4A Council House Street, Kolkata-700001, West Bengal, India <b>Telephone:</b> +91 9830640366 <b>Email ID:</b> jmukherjeeandassociates@gmail.com <b>Contact Person:</b> Mr. Jayabrata Mukherjee

Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances in relation to the application through ASBA process 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 details such as the full name of the sole or First Applicant, ASBA Form number, Applicants’ DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

#### Statement of Inter Se Allocation of Responsibilities

Finshore Management Services 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 lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

**Issuer Banks for UPI**

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

**Registered Brokers**

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

**Brokers to This Issue**

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

**Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

**Credit Rating**

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

**Trustees**

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

**Debenture Trustees**

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

**IPO Grading**

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

**Monitoring Agency**

As per regulation 262(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of ₹1,140.00 Lakhs, 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.

**Appraising Entity**

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

**Filing of Draft Prospectus/Prospectus with the SEBI/ROC**

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Prospectus will be mailed at the e-mail address: [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in)

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Ernakulam**.

### Issue Programme

Issue Opening Date	September 15, 2023
Issue Closing Date	September 20, 2023
Finalisation of Basis of Allotment with NSE EMERGE	September 25, 2023
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	September 26, 2023
Credit of Equity Shares to demat accounts of the Allottees	September 27, 2023
Commencement of trading of the Equity Shares on NSE EMERGE	September 28, 2023

### Expert Opinion

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this prospectus.

### Change in Auditors during the last three (3) years

Name of the Auditor	M/s. Joseph & Co.	M/s. G. Joseph & Associates
FRN/Mem. No	012843S	006310S
Peer Review No.	---	012867
Date of Appointment	30-09-2019	01-12-2022
Date of Resignation	30-11-2022	---
Period From	01-04-2019	01-04-2022
Period to	31-03-2022	31-03-2028
Email ID	joanto@gmail.com	mail@gja.co.in
Address	39/4792, Ground Floor, Collis Court, Ravipuram, Ernakulam – 682016, Kerala, India	37/2038, First Floor, Muttathil Lane, Kadavanthra, Cochin – 682020, Kerala, India
Reason for Change	Due to health issues	Auditor appointed in case of Casual Vacancy and holds a Valid Peer Review Certificate

### Underwriter

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated September 06, 2023 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name, Address, Telephone, and Email of the Underwriter	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
<b>Finshore Management Services Limited</b> Anandlok, Block-A, 2nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India Tel No: 033 – 2289 5101 / 4603 2561 Website: www.finshoregroup.com Email: info@finshoregroup.com Investor Grievance Email: investors@finshoregroup.com Contact Person: Mr. S. Ramakrishna Iyengar SEBI Registration No: INM000012185	28,50,000 Equity Shares*	₹ 1,140.00 Lakhs	100.00%

\*Includes 1,44,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated September 06, 2023 in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter and Market Maker are sufficient to enable them to discharge their respective underwriting obligations in full.

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

Our Company and the Lead Manager has entered into Market Making Agreement dated September 06, 2023 with the following Market Maker to fulfil the obligations of Market Making for this Issue:

<b>Name</b>	Nikunj Stock Brokers Limited
<b>Address</b>	A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110007
<b>Contact Person</b>	Mrs. Monika
<b>Telephone</b>	+91 11 49863108 / +91 8700240043
<b>E-mail</b>	<a href="mailto:complianceofficer@nikunjonline.com">complianceofficer@nikunjonline.com</a>
<b>Website</b>	<a href="http://www.nikunjonline.com">www.nikunjonline.com</a>
<b>SEBI Registration No</b>	INZ000169335
<b>CIN</b>	U74899DL1994PLC060413
<b>MM Registration No.</b>	NSE/MEM/278/06913

Nikunj Stock Brokers Limited, registered with National Stock Exchange of India Limited, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI (ICDR) Regulations as amended from time to time.

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 the NSE and SEBI in this matter from time to time.

- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.*
- *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the NSE EMERGE.*
- *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement*
  1. The Market Maker “Nikunj Stock Brokers Limited” shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
  2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE EMERGE and SEBI from time to time.
  3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012 and SEBI ICDR Regulations and relevant Exchange Circulars requirement for Market Makers on SME platform.
  4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
  5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
  6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on NSE EMERGE (in this case currently the minimum trading lot size is 3,000 equity shares; however, the same may be changed by the NSE EMERGE from time to time).

7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on EMERGE Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the National Stock Exchange of India Limited.
9. 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.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of **Holmarc Opto-Mechatronics Limited** or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters' holding of **Holmarc Opto-Mechatronics Limited** shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of **Holmarc Opto-Mechatronics Limited** which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the EMERGE Platform of NSE, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of **Holmarc Opto-Mechatronics Limited** via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** NSE EMERGE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Maker(s):** NSE EMERGE Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

The Market Maker(s) shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

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

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

18. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
19. **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.
- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on NSE EMERGE.*
- *In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the NSE EMERGE: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE.*

## SECTION VI: CAPITAL STRUCTURE

### CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this prospectus, is set forth below:

(Rs. in Lakhs except share data)

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorized Share Capital</b>		
	1,20,00,000 Equity Shares of ₹10/- each	1200.00	--
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer <sup>(1)</sup></b>		
	72,00,000 Equity Shares of ₹10/- each	720.00	--
C.	<b>Present issue in terms of the prospectus <sup>(2)</sup></b>		
	28,50,000 Equity Shares of ₹10/- each for cash at a price of ₹40/- per share	285.00	1,140.00
<b>Which Comprises of</b>			
D.	<b>Reservation for Market Maker portion</b>		
	1,44,000 Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share	14.40	57.60
E.	<b>Net Issue to the Public</b>		
	27,06,000 Equity Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share, <b>out of which:</b>	270.60	1,082.40
	13,53,000 Equity Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of <b>up to ₹2.00 lakhs</b>	135.30	541.20
	13,53,000 Equity Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share will be available for allocation for allotment to Other Investors of <b>above ₹2.00 lakhs</b>	135.30	541.20
F.	<b>Paid up Equity capital after the Issue</b>		
	1,00,50,000 Equity Shares of ₹10/- each		1,005.00
G.	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		855.00

<sup>(1)</sup> Our Company has only one class of share, i.e., Equity Shares having face value of ₹10/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this prospectus.

<sup>(2)</sup> The present Issue of 28,50,000 Equity Shares in terms of prospectus has been authorized pursuant to a resolution of our Board of Directors dated **May 23, 2023** and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Annual General meeting of the members held on **May 30, 2023**.

#### Details of changes in Authorized Share Capital of our Company since incorporation:

Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
11-02-1993	On Incorporation	5,00,000	Incorporated with an Authorized Share Capital of ₹5,00,000 comprising of 50,000 Equity Shares of ₹10/- each.
25-07-2000	EOGM	10,00,000	Increase in Authorized Share Capital from ₹5,00,000 comprising of 50,000 Equity Shares of ₹10/- each to ₹ 10,00,000 comprising of 1,00,000 Equity Shares of ₹10/- each.
06-03-2006	EOGM	20,00,000	Increase in Authorized Share Capital from ₹10,00,000 comprising of 1,00,000 Equity Shares of ₹10/- each to ₹20,00,000 comprising of 2,00,000 Equity Shares of ₹10/- each.
26-09-2022	EOGM	12,00,00,000	Increase in Authorized Share Capital from ₹20,00,000 comprising of 2,00,000 Equity Shares of ₹10/- each to ₹12,00,00,000 comprising of 1,20,00,000 Equity Shares of ₹10/- each.

## Notes to Capital Structure

## Share capital history of our Company

## (a) Equity shares capital history of our Company:

The following is the history of the equity share capital of our Company:

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (in ₹)	Cumulative Share Premium (in ₹)
11.02.1993 <sup>(1)</sup>	5,000	10.00	10.00	Cash	Subscription to MOA	5,000	50,000	-
25-05-1993 <sup>(2)</sup>	17,500	10.00	10.00	Cash	Further Allotment	22,500	2,25,000	-
20-06-1994 <sup>(3)</sup>	4,350	10.00	10.00	Cash	Further Allotment	26,850	2,68,500	-
08-06-1999 <sup>(4)</sup>	23,150	10.00	10.00	Cash	Further Allotment	50,000	5,00,000	-
10-08-2000 <sup>(5)</sup>	49,100	10.00	10.00	Cash	Further Allotment	99,100	9,91,000	-
15-03-2006 <sup>(6)</sup>	1,00,900	10.00	10.00	Cash	Further Allotment	2,00,000	20,00,000	-
27-02-2023 <sup>(7)</sup>	70,00,000	10.00	-	Nil	Bonus Issue	72,00,000	7,20,00,000	-

(1) Allotment on Initial subscription to the Memorandum of Association dated 11-02-1993:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jolly Cyriac	10.00	10.00	Subscription to MOA	2,500
2	Ishach Sainuddin	10.00	10.00	Subscription to MOA	2,500
<b>Total</b>					<b>5,000</b>

(2) Further on 25-05-1993, Company has allotted 17,500 Equity Shares of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Satheesh Kumar KP	10.00	10.00	Further Allotment	2,500
2	Sunil P	10.00	10.00	Further Allotment	2,000
3	Chandrashekhara V	10.00	10.00	Further Allotment	1,000
4	Sajan P John	10.00	10.00	Further Allotment	2,000
5	Santhosh JN	10.00	10.00	Further Allotment	1,000
6	Roby Thomas	10.00	10.00	Further Allotment	2,000
7	Jolly Cyriac	10.00	10.00	Further Allotment	5,000
8	Mohammed Nizar	10.00	10.00	Further Allotment	2,000
<b>Total</b>					<b>17,500</b>

(3) Further on 20-06-1994, Company has allotted 4,350 Equity Shares of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jolly Cyriac	10.00	10.00	Further Allotment	2,175
2	Ishach Sainuddin	10.00	10.00	Further Allotment	2,175
<b>Total</b>					<b>4,350</b>

(4) Further on 08-06-1999, Company has allotted 23,150 Equity Shares of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jolly Cyriac	10.00	10.00	Further Allotment	11,575
2	Ishach Sainuddin	10.00	10.00	Further Allotment	11,575
<b>Total</b>					<b>23,150</b>

(5) Further 10-08-2000, Company has allotted 49,100 Equity Shares of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jolly Cyriac	10.00	10.00	Further Allotment	33,300
2	Ishach Sainuddin	10.00	10.00	Further Allotment	15,800
<b>Total</b>					<b>49,100</b>

(6) Further on 15-03-2006, Company has allotted 1,00,900 Equity Shares of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jolly Cyriac	10.00	10.00	Further Allotment	50,450
2	Ishach Sainuddin	10.00	10.00	Further Allotment	37,950
3	Satheesh Kumar KP	10.00	10.00	Further Allotment	2,500
4	Sunil P	10.00	10.00	Further Allotment	2,000
5	Sajan P John	10.00	10.00	Further Allotment	2,000
6	Roby Thomas	10.00	10.00	Further Allotment	2,000
7	Mohammed Nizar	10.00	10.00	Further Allotment	2,000
8	Chandrasekharan V	10.00	10.00	Further Allotment	1,000
9	Santhosh JN	10.00	10.00	Further Allotment	1,000
<b>Total</b>					<b>1,00,900</b>

(7) Further on 27-02-2023, Company has allotted 70,00,000 Equity Shares as a Bonus Share in the ratio 35:1 i.e. Thirty Five Equity Shares for every one fully paid -up equity shares held by existing shareholders of Face Value Rs. 10/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jolly Cyriac	10.00	-	Bonus Issue	35,98,000
2	Ishach Sainuddin	10.00	-	Bonus Issue	25,13,000
3	Satheesh Kumar KP	10.00	-	Bonus Issue	1,75,000
4	Mohammed Nizar	10.00	-	Bonus Issue	1,40,000
5	Sajan P John	10.00	-	Bonus Issue	1,40,000
6	Roby Thomas	10.00	-	Bonus Issue	1,40,000
7	Sunil P	10.00	-	Bonus Issue	1,40,000
8	Chandrasekharan V	10.00	-	Bonus Issue	70,000
9	Santhosh JN	10.00	-	Bonus Issue	70,000
10	Fabi MM	10.00	-	Bonus Issue	3,500
11	Jaya Jolly	10.00	-	Bonus Issue	3,500
12	Vineeth Jolly	10.00	-	Bonus Issue	1,750
13	Vijay Jolly	10.00	-	Bonus Issue	1,750
14	Serena Ishach	10.00	-	Bonus Issue	1,750
15	Saniya Ishach	10.00	-	Bonus Issue	1,750
<b>Total</b>					<b>70,00,000</b>

**As on the date of this prospectus, our Company does not have any preference share capital.**

**(b) Equity shares issued for consideration other than cash:**

As on the date of this prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
27-02-2023	70,00,000	Nil	Nil	Bonus Issue	#	Capitalization of reserves

#For list of allottees, see note 07 of paragraph titled “Equity Share Capital History of our Company” mentioned above.

**(c) Revaluation of our assets:**

We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**(d) If shares have been issued in terms of any scheme approved under section 230-234 of the Companies Act, 2013:**

Our Company has not issued any Equity Shares in terms of any scheme approved under section 230-234 of the Companies Act, 2013.

**(e) If shares have been issued under one or more employee stock option schemes:**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this prospectus.

**(f) Issue of Equity Shares in the last one year below the Issue Price:**

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
27-02-2023	70,00,000	Nil	Nil	Bonus Issue	#	Capitalization of reserves

**(g) Shareholding Pattern of our Company:**

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

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of 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)#	
								No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (Sb)
								Class: X	Class: Y	Total								
A1	Promoter	2	62,85,600	-	-	62,85,600	87.30%	62,85,600	-	62,85,600	87.30%	-	-	-	-	-	62,85,600	
A2	Promoter Group	6	14,400	-	-	14,400	0.20%	14,400	-	14,400	0.20%	-	-	-	-	-	14,400	
B	Public	7	9,00,000	-	-	9,00,000	12.50%	9,00,000	-	9,00,000	12.50%	-	-	-	-	-	9,00,000	
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		15	72,00,000	-	-	72,00,000	100.00%	72,00,000	-	72,00,000	100.00%	-	-	-	-	-	72,00,000	

As on date of this prospectus, 1 Equity share holds 1 vote.

As on date, we have only one class of Equity Shares of face value of Rs. 10/- each.

All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on EMERGE Platform of NSE.

In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are dematerialized.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Share.

- (i) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Jolly Cyriac	37,00,800	51.40%
2	Ishach Sainuddin	25,84,800	35.90%
3	Satheesh Kumar KP	1,80,000	2.50%
4	Sajan P John	1,44,000	2.00%
5	Roby Thomas	1,44,000	2.00%
6	Sunil P	1,44,000	2.00%
7	Mohammed Nizar	1,44,000	2.00%
8	Chandrasekharan V	72,000	1.00%
9	Santhosh JN	72,000	1.00%
<b>Total</b>		<b>71,85,600</b>	<b>99.80%</b>

- (ii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 10 days before the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of then existing paid-up capital
1	Jolly Cyriac	37,00,800	51.40%
2	Ishach Sainuddin	25,84,800	35.90%
3	Satheesh Kumar KP	1,80,000	2.50%
4	Sajan P John	1,44,000	2.00%
5	Roby Thomas	1,44,000	2.00%
6	Sunil P	1,44,000	2.00%
7	Mohammed Nizar	1,44,000	2.00%
8	Chandrasekharan V	72,000	1.00%
9	Santhosh JN	72,000	1.00%
<b>Total</b>		<b>71,85,600</b>	<b>99.80%</b>

- (iii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 1 (one) year before the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of then existing paid-up capital
1	Jolly Cyriac	1,02,900	51.45%
2	Ishach Sainuddin	72,000	36.00%
3	Satheesh Kumar KP	5,000	2.50%
4	Sajan P John	4,000	2.00%
5	Roby Thomas	4,000	2.00%
6	Sunil P	4,000	2.00%
7	Mohammed Nizar	4,000	2.00%
8	Chandrasekharan V	2,000	1.00%
9	Santhosh JN	2,000	1.00%
<b>Total</b>		<b>1,99,900</b>	<b>99.95%</b>

- (iv) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 2 (two) year before the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of then existing paid-up capital
1	Jolly Cyriac	1,03,000	51.50%
2	Ishach Sainuddin	72,000	36.00%
3	Satheesh Kumar KP	5,000	2.50%
4	Sajan P John	4,000	2.00%
5	Roby Thomas	4,000	2.00%
6	Sunil P	4,000	2.00%
7	Mohammed Nizar	4,000	2.00%
8	Chandrasekharan V	2,000	1.00%
9	Santhosh JN	2,000	1.00%
<b>Total</b>		<b>2,00,000</b>	<b>100.00%</b>

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

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (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. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

**(i) The Details of Shareholding of Promoters of Our Company;**

**Capital Build-up of our Promoters in our Company:** The current promoters of our Company are Mr. Jolly Cyriac and Mr. Ishach Sainuddin.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this prospectus, our Promoters collectively hold 62,85,600 Equity Shares, which constitutes approximately 87.30% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 62.54% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoters</b>				
Jolly Cyriac	37,00,800	51.40%	37,00,800	36.82%
Ishach Sainuddin	25,84,800	35.90%	25,84,800	25.72%
<b>Total Promoters Shareholding</b>	<b>62,85,600</b>	<b>87.30%</b>	<b>62,85,600</b>	<b>62.54%</b>

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

*Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company.*

**i) Mr. Jolly Cyriac**

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
11-02-1993	2,500	10.00	10.00	Cash	Subscription to MoA	0.03%	0.02%	No
25-05-1993	5000	10.00	10.00	cash	Further Allotment	0.07%	0.05%	No
20-06-1994	2,175	10.00	10.00	cash	Further Allotment	0.03%	0.02%	No
08-06-1999	11,575	10.00	10.00	cash	Further Allotment	0.16%	0.12%	No
10-08-2000	33,300	10.00	10.00	cash	Further Allotment	0.46%	0.33%	No
04-12-2000	-5000	10.00	10.00	Cash	Transferred to Nizam AM	-0.07%	-0.05%	No
15-03-2006	50,450	10.00	10.00	Cash	Further Allotment	0.70%	0.50%	No
15-03-2019	3,000	10.00	400.00	Cash	Transferred from Nizam AM	0.04%	0.03%	No
16-07-2021	-100	10.00	350.00	Cash	Transferred to Jaya Jolly	0.00%	0.00%	No
14-09-2022	-50	10.00	426.00	cash	Transferred to Vijay Jolly	0.00%	0.00%	No
14-09-2022	-50	10.00	426.00	Cash	Transferred to Vineeth Jolly	0.00%	0.00%	No
27-02-2023	35,98,000	10.00	-	Nil	Bonus Issue	49.97%	35.80%	No
<b>TOTAL</b>	<b>37,00,800</b>					<b>51.40%</b>	<b>36.82%</b>	

## ii) Mr. Ishach Sainuddin

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value	Issue/ Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
11-02-1993	2,500	10.00	10.00	Cash	Subscription to MoA	0.03%	0.02%	No
20-06-1994	2,175	10.00	10.00	Cash	Further Allotment	0.03%	0.02%	No
08-06-1999	11,575	10.00	10.00	Cash	Further Allotment	0.16%	0.12%	No
10-08-2000	15,800	10.00	10.00	Cash	Further Allotment	0.22%	0.16%	No
15-03-2006	37,950	10.00	10.00	Cash	Further Allotment	0.53%	0.38%	No
15-03-2019	2,000	10.00	400.00	Cash	Transferred from Nizam AM	0.03%	0.02%	No
11-10-2022	-100	10.00	425.00	Cash	Transferred to Fabi MM	0.00%	0.00%	No
11-10-2022	-50	10.00	425.00	Cash	Transferred to Serena Ishach	0.00%	0.00%	No
11-10-2022	-50	10.00	425.00	Cash	Transferred to Saniya Ishach	0.00%	0.00%	No
27-02-2023	25,13,000	10.00	-	Nil	Bonus Issue	34.90%	25.00%	No
<b>TOTAL</b>	<b>25,84,800</b>					<b>35.90%</b>	<b>25.72%</b>	

Note: All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this prospectus.

(j) As on date of this prospectus, our Company has 15 (Fifteen) shareholders only.

(k) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate:

Our Promoters does not include a Body corporate. The Aggregate shareholding of the Promoters & Promoter Group are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoters</b>				
Jolly Cyriac	37,00,800	51.40%	37,00,800	36.82%
Ishach Sainuddin	25,84,800	35.90%	25,84,800	25.72%
<b>Total Promoters Shareholding (A)</b>	<b>62,85,600</b>	<b>87.30%</b>	<b>62,85,600</b>	<b>62.54%</b>
<b>Promoter Group</b>				
Jaya Jolly	3,600	0.05%	3,600	0.04%
Fabi M M	3,600	0.05%	3,600	0.04%
Vineeth Jolly	1,800	0.03%	1,800	0.02%
Vijay Jolly	1,800	0.03%	1,800	0.02%
Serena Ishach	1,800	0.03%	1,800	0.02%
Saniya Ishach	1,800	0.03%	1,800	0.02%
<b>Total Promoters Group Shareholding (B)</b>	<b>14,400</b>	<b>0.20%</b>	<b>14,400</b>	<b>0.14%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>63,00,000</b>	<b>87.50%</b>	<b>63,00,000</b>	<b>62.69%</b>

- (l) *The aggregate number of specified securities purchased or sold by the promoter group and/or by the directors of the company and their relatives in the preceding six months:*

Name of Shareholder	Promoter/ Promoter Group/ Director	Date of Transaction	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold/ Transferred	Nature of Transaction
Jaya Jolly	Promoter Group & Whole Time Director	27-02-2023	3,500	-	Bonus Issue
Fabi M M	Promoter Group	27-02-2023	3,500	-	Bonus Issue
Vineeth Jolly	Promoter Group	27-02-2023	1,750	-	Bonus Issue
Vijay Jolly	Promoter Group	27-02-2023	1,750	-	Bonus Issue
Serena Ishach	Promoter Group	27-02-2023	1,750	-	Bonus Issue
Saniya Ishach	Promoter Group	27-02-2023	1,750	-	Bonus Issue

- (m) *There are no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity in the six months immediately preceding the date of filing of the offer document.*

- (n) **Promoter's Contribution:**

**(i) Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years**

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this prospectus, our Promoters collectively hold 62,85,600 Equity Shares constituting 62.54% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 20,10,000 equity shares being 20.00% of the post Issue equity share capital of our Company are eligible for the Promoter's Contribution margin.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this prospectus until the completion of the lock-in period specified above.

*The details of lock-in of shares for 3 (three) years are as under:*

Date of Allotment / Acquisition	Date when made fully paid up	Nature of Allotment / Transfer	No. of Equity Shares	Face Value	Issue Price/ Transfer price	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital	Lock in Period
<b>JOLLY CYRIAC</b>								
27-02-2023	27-02-2023	Bonus Issue	11,83,436	10.00	--	16.44%	11.78%	3 Years
<b>ISHACH SAINUDDIN</b>								
27-02-2023	27-02-2023	Bonus Issue	8,26,564	10.00	--	11.48%	8.22%	3 Years
<b>Total</b>			<b>20,10,000</b>			<b>27.92%</b>	<b>20.00%</b>	

*20,10,000 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares.*

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
  - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
  - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 1956 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

## **(ii) Details of Equity Shares Locked-in for one (1) year**

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

*The details of lock-in of shares for 1 (one) year are as under:*

<b>Name of Shareholders</b>	<b>Category</b>	<b>No of Shares Held</b>	<b>Lock-in for 3 Years</b>	<b>Lock-in for 1 Years</b>
Jolly Cyriac	Promoter	37,00,800	11,83,436	25,17,364
Ishach Sainuddin	Promoter	25,84,800	8,26,564	17,58,236
Jaya Jolly	Promoter Group	3,600	-	3,600
Fabi M M	Promoter Group	3,600	-	3,600
Vineeth Jolly	Promoter Group	1,800	-	1,800
Vijay Jolly	Promoter Group	1,800	-	1,800
Serena Ishach	Promoter Group	1,800	-	1,800
Saniya Ishach	Promoter Group	1,800	-	1,800
Satheesh Kumar KP	Public	1,80,000	-	1,80,000
Sajan P John	Public	1,44,000	-	1,44,000
Roby Thomas	Public	1,44,000	-	1,44,000
Sunil P	Public	1,44,000	-	1,44,000
Mohammed Nizar	Public	1,44,000	-	1,44,000
Chandrasekharan V	Public	72,000	-	72,000
Santhosh JN	Public	72,000	-	72,000
<b>Total</b>		<b>72,00,000</b>	<b>20,10,000</b>	<b>51,90,000</b>

**(iii) Other requirements in respect of lock-in**

➤ **Inscription or recording of non-transferability:**

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

➤ **Pledge of Locked-in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i. In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii. In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

➤ **Transfer of Locked-in Equity Shares**

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

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters’ Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- (iv) **Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this prospectus:**  
There is no other Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this prospectus except as mentioned in this chapter and prospectus.
- (o) Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
- (p) The Equity Shares issued pursuant to this Issue shall be fully paid-up.
- (q) The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this prospectus.
- (r) There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the prospectus.
- (s) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this prospectus.

**Other miscellaneous disclosures:**

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this prospectus.
2. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this prospectus.
3. Except as disclosed in the chapter titled **"Our Management"** beginning on page 153 of this prospectus, none of our directors or Key Managerial Personnel or Senior Management holds any Equity Shares in our Company.
4. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the prospectus.
5. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
6. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
7. Our Company has not issued Equity Shares out of Revaluation Reserves.
8. Our Company shall comply with such disclosures and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
9. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this prospectus.
10. Our Company has not raised any bridge loan against the proceeds of this issue.

11. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this prospectus.
12. Our Company has not revalued its assets since incorporation.
13. 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 Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
15. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.
16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
18. There are no Equity Shares against which depository receipts have been issued.
19. Other than the Equity Shares, there is no other class of securities issued by our Company.
20. This issue is being made through Fixed Price method.
21. This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:
  - (a) Minimum 50% to the 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 is either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.
22. *Our Promoters and members of our Promoter Group will not participate in the Issue.*

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue includes a fresh Issue of **28,50,000** Equity Shares of our Company having face value of Rs. 10/- each at an Issue Price of ₹40/- per Equity Share aggregating to ₹1,140.00 Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on Stock Exchange.

#### The Objects of the Issue are:

- A. Funding Capital Expenditure towards Purchase of Additional Plant & Machinery
- B. To meet the Working Capital Requirements
- C. To meet the Issue Expenses
- D. General Corporate Purposes

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

#### Requirement of Funds

The following table summarizes the requirement of funds:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	Funding Capital Expenditure towards Purchase of Additional Plant & Machinery	354.36	31.08%	354.36
B	Working Capital Requirements	481.64	42.25%	481.64
C	Issue Related Expenses	154.00	13.51%	154.00
D	General Corporate Expenses	150.00	13.16%	150.00
	<b>Total IPO Proceeds</b>	<b>1,140.00</b>	<b>100.00%</b>	<b>1,140.00</b>
E	Less: Issue Related Expenses	154.00	13.51%	154.00
	<b>Net Issue Proceeds</b>	<b>986.00</b>	<b>86.49%</b>	<b>986.00</b>

*The issue proceeds are estimated to be utilized in the FY 2023-24 itself.*

Our Company manufactures variety of scientific and engineering instruments for use in Research, Industry and Education sectors i.e., Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Optomechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation etc. The products manufactured by us are mostly used by scientific, educational and engineering research Institutes, Universities and Industries. Currently our products are sold to almost 25-30 states in India and 40-50 Countries abroad. The products manufactured by us are usually customised as per client's specification and there are very few manufacturers in India and Abroad for some of the products.

We have entered into technical collaborations/Tie-ups with some of the leading/premier Research Institutions and Universities for transfer of technology for manufacturing of certain specific instruments. Our Research and development team is continuously working for developing new unique products and we are expecting commercial results for these developments in coming years for which we required fresh capital for purchase of automated advanced equipments and machineries. Our Company had made capital investment of Rs. 1.70 crores approx. in production machineries during the Financial Year 2020-21 which resulted in increase of our top line and better margin. Currently, due to Government thrust for "Make in India" products, we are also expecting a growth in demand of products manufactured by us in the coming years as more focus is being diverted to research in India. Accordingly, our board decided to go public to raise fresh fund. We are planning to make a fresh capital investment for purchase of automated advanced equipments and machineries worth Rs.

354.36 Lakhs from the IPO proceeds and Rs. 481.64 Lakhs will be used for enhanced working capital requirement as per management estimation.

## Details breakup of the Use of the Proceeds

### A. Funding Capital Expenditure towards Purchase of Additional Plant & Machinery

Our Company currently has one manufacturing facility located at Building No. 11/490, B7, H.M.T. Industrial Estate, Kalamassery, Kanayanoor, Ernakulam – 683503, Kerala. We propose to augment our capacities & in-house capabilities by installing additional plant and machinery. Our Company hence, intends to utilize ₹ 354.36 lakhs from the Net Proceeds for the purchase of plant and machinery at this manufacturing facility. We believe, this will enable us to cater the growing demand of our customers with enhanced quality and increased efficiency. We are yet to place orders for such plant and machinery.

The details of such machinery and equipment are set forth below:

Date of Quotation	Name of Supplier	Name of Equipment	Quotation valid upto	Date of Placement of Order	Expected Date of Supply	Amount (in \$/€)	Amount (in lakhs)#
20-06-2023	Jyoti CNC Automation Limited	CNC Machine (Model: DX 250-500 nvu)	18-10-2023	Order not placed	Order not placed	--	31.82
20-06-2023	Jyoti CNC Automation Limited	CNC Machine (Model: DX 200-5A)	18-10-2023	Order not placed	Order not placed	--	26.57
20-06-2023	Jyoti CNC Automation Limited	CNC Machine (Model: RX 20)	18-10-2023	Order not placed	Order not placed	--	36.91
20-06-2023	Jyoti CNC Automation Limited	CNC Machine (Model: VMC 1260 nvu)	18-10-2023	Order not placed	Order not placed	--	58.35
20-06-2023	Jyoti CNC Automation Limited	CNC Machine (Model: RX 30)	18-10-2023	Order not placed	Order not placed	--	45.78
30-06-2023	Purvaj Engineers	Hydraulics Press Brakes (Model: HPB 2580) and NC Systems for Pressbrake : 2 AXIS NC	28-10-2023	Order not placed	Order not placed	--	20.11
19-06-2023	Suresh Indu Lasers Private Limited	CO <sub>2</sub> Laser Engraving & Cutting Machine (Model: SIL 1212)	17-10-2023	Order not placed	Order not placed	--	4.48
19-06-2023	Suresh Indu Lasers Private Limited	Fiber Laser Handheld System 4 in 1	17-10-2023	Order not placed	Order not placed	--	14.75
20-06-2023	Ravinsons Corporation	CNC Electric Tapping Machine	18-10-2023	Order not placed	Order not placed	--	4.52
03-07-2023	GMT Engineers Private Limited	CNC Fiber Laser Cutting Machine	31-10-2023	Order not placed	Order not placed	--	37.76
03-07-2023	GMT Engineers Private Limited	Screw Air Compressor and UPS 40KVA for Fiber Laser Machine	31-10-2023	Order not placed	Order not placed	--	15.93
04-07-2023	Advancetech Controls Private Limited	Mass Flow controller (Model: GFC17S-VAL6-A0)	04-11-2023	Order not placed	Order not placed	--	1.23
@	Clicktech Retail	Digital Universal Bevel Protractor (Model: Mitutoyo 187-552)	--	Order not placed	Order not placed	--	0.92
21-06-2023	Bionics Scientific Technologies Private Limited	Horizontal Laminar Airflow Unit (Model: BST-HLAF/42)	19-10-2023	Order not placed	Order not placed	--	3.21
@	Medlikim	Auto Lensometer (Model: SLM-5000)	--	Order not placed	Order not placed	€ 1,140.00 <sup>^</sup>	1.01
19-06-2023	Thin Film Center Inc	Essential Macleod	17-10-2023	Order not placed	Order not placed	\$ 2,500.00 <sup>*</sup>	2.05
04-07-2023	Edmund Optics India Private Limited	Dual Surface Optical Flat (4 inch dia 1/20 Wave)	01-11-2023	Order not placed	Order not placed	--	1.45

Date of Quotation	Name of Supplier	Name of Equipment	Quotation valid upto	Date of Placement of Order	Expected Date of Supply	Amount (in \$/€)	Amount (in lakhs) <sup>#</sup>
@	Diffraction International Limited	Phase Shifting Software, Phase Shifter and Controller	--	Order not placed	Order not placed	\$ 11,823.00*	9.69
@	Thorlabs Inc.	Stabilized HeNe Laser (Model: HRS015B)	--	Order not placed	Order not placed	\$ 4,996.26*	4.10
21-06-2023	CPG Optics	f/0.65 (TS4-0.65-20), f/3.3(TS4-3.3-20), f/7.1(TS4-7.1-20)	19-10-2023	Order not placed	Order not placed	\$ 34,632.15*	28.40
@	Conceptia Software Technologies Private Limited	Solidworks (Model: Q223)	--	Order not placed	Order not placed	--	3.32
@	Clicktech Retail	3D Printer (Model: Snapmaker 2.0 - A350T)	--	Order not placed	Order not placed	--	2.00
<b>Total</b>							<b>354.36</b>

\* The cost of machinery is in US Dollar. The amount has been converted into Indian Rupees at the exchange rate of 1\$ = ₹82/-

^ The cost of machinery is in Euro. The amount has been converted into Indian Rupees at the exchange rate of 1€ = ₹89/-

# Inclusive of GST & Cess where input credit is not available, wherever applicable.

@ The equipment are to be procured from online/e-commerce platforms

- We have considered the above quotations for the budgetary estimate purposes and as on date of this Prospectus, neither our company has placed any orders nor made any payment towards purchase of above plant and machinery. The actual cost of procurement and actual supplier may vary.
- Some of the machineries shall be purchased through online/e-commerce platforms and the price may vary at the time of placement of order. The price for estimate purpose has been taken on real-time basis from e-commerce platforms and are subject to instabilities due to offers, discounts and availabilities.
- We have not entered into definitive agreements with any of these suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the equipment or at the same costs.
- We do not intend to purchase any second-hand machinery or equipment. The quantity of plant and machinery to be purchased is based on quotations received from suppliers and estimates of our management. The Management shall have the flexibility to revise such quantities/ estimates (including but not limited to change of the supplier or addition/ deletion of any quantity of plant and machinery) at the time of actual placement of the order. Furthermore, if any surplus from the proceeds remains after meeting the total cost of the plant and machinery for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of the plant and machinery proposed to be acquired by us at the actual time of purchase, resulting in increase in the cost. Further, cost can be escalated on account of freight expenses and incidental charges. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals.
- Some of the machineries shall be imported from abroad, payment of which will be made by our Company in Indian Rupee. There may be fluctuation in the exchange rate between the Indian Rupee and Foreign Exchange Rates and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds. Further, the purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time.
- Any additional costs incurred towards applicable taxes, freight charges, installation charges, exchange rate fluctuations, including any contingencies etc. in relation to above object, will be met from internal accruals of our Company.

### B. Working Capital Requirement and basis of estimation:

Our business is highly working capital intensive and Our company funds a majority of our working capital requirement through internal accruals and short-term borrowings. The major working capital are required for monthly payment to highly skilled technicians and trained employees, procuring the raw materials and products we deal in, maintaining stocks and Sundry Debtors etc as the money gets blocked in them. Our revenue from operations has been increased from Rs. 1,553.06 Lakhs in FY 2020-21 to Rs. 2,903.67 Lakhs in FY 2022-23. In FY 2022-23, our working capital requirement on restated basis was ₹ 848.93 Lakhs from the existing business. As per our management estimation, the working capital requirement for FY 2023-24 and FY 2024-25 is expected to be Rs. 1,716.41 Lakhs and 2,357.28 Lakhs respectively based on our current and future orders that may be received, for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

Details of Company's working capital for the Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 and the source of funding, on the basis of Restated Financial Information of our Company `as set out in the table below:

Particulars	31-03-2021	31-03-2022	31-03-2023	31-03-2024	31-03-2025
	Restated		Estimated		
Cash & Bank Balance	80.67	158.98	227.60	226.41	284.78
Sundry Debtors	508.21	459.34	612.81	1,000.00	1,250.00
Inventory	100.33	160.10	210.91	666.67	1,000.00
Short Term Loans and Advances	16.15	13.40	10.78	15.00	20.00
Other Current Assets	8.86	16.56	13.39	50.00	75.00
<b>Total Current Assets</b>	<b>714.23</b>	<b>808.38</b>	<b>1,075.49</b>	<b>1,958.08</b>	<b>2,629.78</b>
Sundry Creditors	37.35	28.33	40.24	41.67	62.50
Other Current Liabilities	108.58	150.14	186.32	200.00	210.00
<b>Total Current Liabilities</b>	<b>145.93</b>	<b>178.47</b>	<b>226.56</b>	<b>241.67</b>	<b>272.50</b>
<b>Working Capital Gap</b>	<b>568.30</b>	<b>629.91</b>	<b>848.93</b>	<b>1,716.41</b>	<b>2,357.28</b>
<b>Source of Working Capital</b>					
Proceeds from IPO	-	-	-	481.64	-
Short Term Borrowings	127.87	77.73	33.85	25.39	19.04
Internal Accrual	440.43	552.18	815.08	1,209.38	2,338.24
<b>Total</b>	<b>568.30</b>	<b>629.91</b>	<b>848.93</b>	<b>1,716.41</b>	<b>2,357.28</b>

#### Assumption on working capital requirement:

We have estimated our working capital requirement based on the following holding periods which are as per industry standard:

Particulars	31-03-2021	31-03-2022	31-03-2023	31-03-2024	31-03-2025
Sundry Debtors Holding period (Months)	3.93	2.62	2.53	3.00	2.50
Inventory Holding Period (Months)	0.78	0.91	0.87	2.00	2.00
Sundry Creditor Holding Period (Months)	1.23	0.68	0.61	0.50	0.50

**Justification for Holding Period:**

Particulars	Details
Sundry Debtors Holding period	<p>Debtor Holding period are generally depend on the demand of the products, our customer who are basically Research Organisations, Universities and Corporates and prevailing market condition. In Fiscal 2021, 2022 and 2023 our average Debtor holding period was 3.93 months, 2.62 month and 2.53 month respectively.</p> <p>Going forward, we are estimating to maintain the Debtor holding period at levels of 3.00 months from Fiscal 2024 onwards as per the customer demand, prevailing market condition and estimated topline growth in future. The Debtors will gradually increase in proportion to boost our topline growth also.</p>
Inventory Holding Period	<p>Inventory levels are maintained by our Company depending upon the demand and delivery schedules. In Fiscal 2021, 2022 and 2023 our average Inventory holding period was 0.78 months, 0.91 months and 0.87 months respectively. We were working in the model of getting orders first and then start manufacturing due to insufficient capital . However, we have now identified some of the products to be manufactured in the batch quantity to be kept as finished goods inventory for immediate dispatch as we were losing opportunities as many customers cannot wait for manufacturing lead time.</p> <p>Going forward, we are estimating to maintain the Inventory holding period at levels of 2.00 months from Fiscal 2024 onwards as per the customer demand, prevailing market condition and estimated topline growth in future. By carrying inventory of our components, we will be able to acquire and service more customers which will have a positive impact on our topline and bottom line. It is also expected to rise to aid in faster delivery of projects leading to lower costs, better margin and customer satisfaction.</p>
Sundry Creditor Holding Period	<p>Creditor holding periods depends upon the demand and prevailing market condition. In Fiscal 2021, 2022 and 2023 our average Creditor holding period was 1.23 month, 0.68 months and 0.61 month respectively. However, going forward we are estimating to maintain the Creditor holding period at levels of 0.50 months for Fiscal 2024 onwards to avail better pricing and reducing the cost of purchase.</p>

**C. General Corporate Purpose:**

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., ₹ 150.00 Lakhs, which is 13.16% of the amount being raised by our company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives, partnerships, joint ventures and acquisitions;
- (ii) Brand building , promotional & marketing activities;
- (iii) Meeting exigencies and contingencies which our company in the ordinary course of business may not foresee; and
- (iv) Any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

#### D. Issue Related Expense:

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (Rs. In Lakhs)	% of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees, Underwriting commission, including other intermediaries Fees, Printing and distribution of Issue Stationary	27.95	18.15%	2.45%
Regulators Including Stock Exchanges	12.05	7.82%	1.06%
Advertising and Marketing Expenses	114.00	74.03%	10.00%
<b>Total</b>	<b>154.00</b>	<b>100.00%</b>	<b>13.51%</b>

#### Note:

- **ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.

The SCSBs would be entitled to processing fees of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.

- **SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.
- **Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars and other applicable laws.
- The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant registered broker and other intermediaries.
- Any expenses incurred towards IPO related expenses will be reimbursed/recouped out of the gross proceeds of the Issue.
- The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.
- Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs/LM, 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.

**Means of Finance:**

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9(C) of Part A of Schedule VI of the SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated 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 this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

**Appraisal by Appraising Fund:**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

**Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

**Bridge Financing Facilities**

As on the date of this prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

**Interim Use of Proceeds**

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

**Monitoring Utilization of Funds**

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in

this prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Managerial Personnel or Senior Management or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters 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**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company’s Key Managerial Personnel or Senior Management, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or Key Managerial Personnel or Senior Management, except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price of ₹40/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Issue Price is ₹40/- which is 4.0 times of the face value. Investors should also refer “*Our Business*”, “*Risk Factors*” and “*Financial Statements as Restated*” beginning on page no. 107, 21 and 188 respectively, of this prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, “*Our Business*”, beginning on page no. 89 of this prospectus.

### QUANTITATIVE FACTORS:

The information presented in this section is derived from our Company’s restated financial statements for the financial year ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “*Financial Statements as Restated*” beginning on page no 188 of this prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) as adjusted for changes in capital for last 3 years:

##### Earnings Per Share as per the Company’s Restated Financial Information

Particulars	Basic & Diluted EPS (Rs.)		Weight
	With Retrospective Effect of Bonus <sup>#</sup>	As per Restated	
Year ended March 31, 2021	0.96	34.40	1
Year ended March 31, 2022	2.16	77.60	2
Year ended March 31, 2023	4.95	4.95	3
<b>Weighted Average*</b>	3.36	34.08	

a. **Basic & Diluted EPS:** EPS has been calculated as PAT/Weighted average no. of shares outstanding for particular period/year in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share' issued by ICAI.

b. **Weighted average:** Aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

<sup>#</sup> On February 27, 2023, Company has allotted 70,00,000 Equity Shares as Bonus Share in the ratio of 35:1 i.e. Thirty-Five Equity Shares for every One fully paid-up equity share. The EPS has been shown separately giving retrospective effect of Bonus allotment. (For further details, please refer chapter “*Capital Structure*” and “*Financial statement as Restated*” beginning from page no. 60 and 188 respectively of this prospectus.)

2. **Price to Earning (P/E) Ratio in relation to the Issue Price of ₹40/- per equity share of face value of Rs. 10/- each**

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS as on March 31, 2023	8.08
P/E ratio based on the Weighted Average EPS	11.90

3. **Average Return on Net Worth (RoNW) for last 3 years as per the Company's Restated Financial Information**

Particulars	RONW in %	Weight
Year ended March 31, 2021	9.99	1
Year ended March 31, 2022	18.84	2
Year ended March 31, 2023	30.70	3
<b>Weighted Average</b>	23.30	

**Weighted average:** Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e.  $[(Return\ on\ Net\ Worth\ \times\ Weight)\ for\ each\ year] / [Total\ of\ weights]$

**Note:** Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

4. **Net Assets Value:**

Particulars	Value per Equity Share (in ₹)
Net Asset Value per Equity Share as of March 31, 2023	16.11
<b>Net Asset Value per Equity Share after the Issue</b>	<b>22.88</b>
<b>Issue Price per equity share</b>	<b>40.00</b>

**Note:** Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equities shares outstanding as at the end of year/period.

5. **Comparison with other listed companies/Industry peers:**

We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of ₹40/- per equity share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the "Risk Factors" beginning on page no 21 of this prospectus and Financials of the company as set out in the "Financial Statements as Restated" beginning on page no 188 of this prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 4.0 times of the face value i.e. ₹40/- per share.

**STATEMENT OF POSSIBLE TAX BENEFITS****STATEMENT OF POSSIBLE TAX BENEFITS**

To,

**The Board of Directors**

HOLMARC OPTO-MECHATRONICS LIMITED

H.M.T. INDUSTRIAL ESTATE KALAMASSEREY, COCHIN -683503.

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Holmarc Opto-Mechatronics Limited and its shareholders prepared in accordance with the requirements under Schedule VI Part A -Clause (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations').**

We hereby confirm that the enclosed annexure, prepared by Holmarc Opto-Mechatronics Limited ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

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

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

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

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

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

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

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

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

**Signed in terms of our separate report of even date.**

**For G Joseph & Associates  
Chartered Accountants  
Firm Reg. No: (FRN 006310S)**

Sd/-

**Allen Joseph  
Partner  
M No. 228498**

**Place: Kochi  
Date: August 02, 2023**

**UDIN: 23228498BGXRAU2993**

### **Annexure to the statement of possible Tax Benefits**

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

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

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

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

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

##### Benefits available to the Resident Shareholders:

- a) Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions, as discussed above. Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge on tax would be restricted to a maximum of 15% (instead of peak surcharge rate of 37%).
- b) In case of dividend income earned by domestic shareholders, reported under the head "Income from other sources", shall be computed after making deduction of a sum paid by way of interest on the capital borrowed for the purpose of investment. However, no deduction shall be allowed from the dividend income, other than deduction on account of interest expense, and in any previous year such deduction shall not exceed 20% of the dividend income under section 57 of the Act.
- c) As per Section 112A of the Act, long-term capital gains arising from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act. It is worthwhile to note that no tax shall be levied where such capital gains are less than INR 1,00,000 .
- d) As per Section 111A of the Act, short term capital gains arising from transfer of a listed equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

##### **Notes:**

- i) 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.
- ii) 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.

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

Export of Goods and/or Services or Both is considered as Zero rated supply as per section 16 of the IGST Act, the company would have a benefit to make exports without payment of tax under a LUT and claim refund of unutilized ITC for making such exports in accordance with section 54 subject to fulfilment of prescribed conditions under the GST Laws. Also, the company has an option to make exports with payment of IGST and later claim refund of the tax paid subject to fulfilment of prescribed conditions under the GST Laws.

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

The shareholders of the Company are not entitled to any Special tax benefits under the Act.

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

**Signed in terms of our separate report of even date.**

**For G Joseph & Associates  
Chartered Accountants  
Firm Reg. No: (FRN 006310S)**

Sd/-

**Allen Joseph  
Partner  
M No. 228498**

**Place: Kochi  
Date: August 02, 2023**

**UDIN: 23228498BGXRAU2993**

## SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY

### INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

### INDIAN ECONOMY

#### 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.

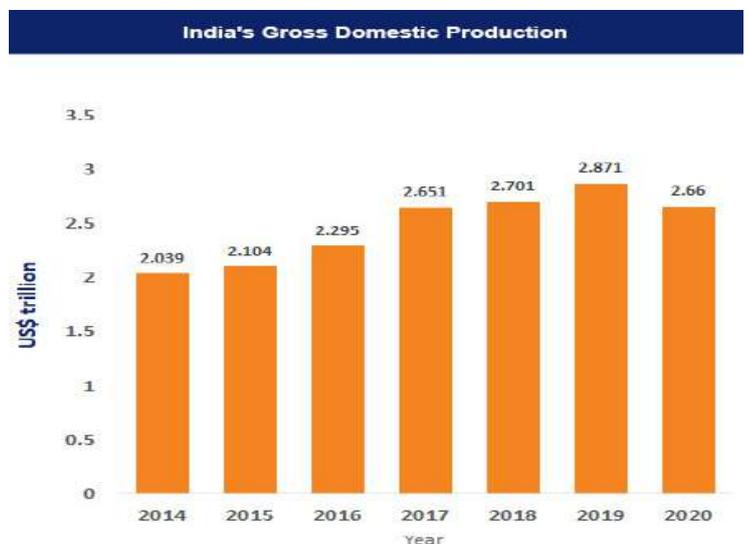
Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

#### MARKET SIZE

India's nominal GDP at current prices was estimated 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 this period. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 1.2% of GDP



in 2021-22.

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

## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing 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.

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022
- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$ 17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
- 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.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- In FY 2022-23, (until October 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 58,762 crore (US\$ 7.13 billion).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## 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.
- India and Namibia entered into a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.

- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on 11 July 2022.
- In June 2022:
  - Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow.
  - The projects encompass diverse sectors such as Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of biocapsule, an encapsulation technology for bio-fertilization on 30 June, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.

- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## ROAD AHEAD

In the second quarter of 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.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

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.

## UNION BUDGET 2023-24

### INTRODUCTION

Union Budget 2023–24 builds on the vision set out in the previous budgets and provides a blueprint for steering the economy towards a sustained high-growth trajectory. The Union Minister of Finance and Corporate Affairs Ms. Nirmala Sitharaman presented the Union Budget 2023-24 in Parliament on 1st February 2023.

#### Key Highlights of the Budget:

- Per capita income has more than doubled to Rs.1.97 lakh (US\$ 2,400) in around nine years.
- Indian economy has increased in size from being 10th to 5th largest in the world in the past nine years.
- EPFO membership has more than doubled to 27 crore.
- 7,400 crore digital payments of Rs.126 lakh crore (US\$ 1,535.7 billion) have taken place through UPI in 2022.
- 11.7 crore household toilets constructed under Swachh Bharat Mission.
- 9.6 crore LPG connections provided under Ujjwala.
- 220 crore covid vaccination of 102 crore persons.
- 47.8 crore PM Jan Dhan bank accounts.
- Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana.
- Cash transfer of Rs. 2.2 lakh crore (US\$ 26.8 billion) to over 11.4 crore farmers under PM Kisan Samman Nidhi.
- Targeted Fiscal Deficit to be below 4.5% by 2025-26.
- The maximum deposit limit for Senior Citizen Savings Scheme to be enhanced from Rs. 15 lakh (US\$ 18,276.5) to Rs. 30 lakh (US\$ 36,553).
- ‘Effective Capital Expenditure’ of Centre to be Rs. 13.7 lakh crore (US\$ 167.26 billion).
- More than 39,000 compliances reduced and more than 3,400 legal provisions decriminalized to enhance Ease of Doing Business.
- Jan Vishwas Bill to amend 42 Central Acts have been introduced to further trust-based governance.
- PAN will be used as the common identifier for all digital systems of specified government agencies to bring Ease of Doing Business.

### INCLUSIVE DEVELOPMENT (PART – A)

- Seven priorities of the budget ‘Saptarishi’, are inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power, and the financial sector.
- Atmanirbhar Clean Plant Program: This program shall be launched with an outlay of Rs. 2,200 crore (US\$ 268 million) to boost the availability of disease-free, quality planting material for high-value horticultural crops.
- Centre to recruit 38,800 teachers and support staff for the 740 Eklavya Model Residential Schools, serving 3.5 lakh tribal students over the next three years.
- PM Awas Yojana: The outlay for PM Awas Yojana is being enhanced by 66% to over Rs. 79,000 crore (US\$ 9.6 billion).
- Capital outlay of Rs. 2.40 lakh crore (US\$ 29.2 billion) has been provided for the Railways, which is the highest ever outlay and about nine times the outlay made in 2013-14.
- Urban Infrastructure Development Fund (UIDF): UIDF will be established through the use of priority sector lending shortfall and shall be managed by the National Housing Bank and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- Entity DigiLocker: Entity DigiLocker is to be setup for use by MSMEs, large businesses, and charitable trusts to store and share documents online securely.
- Revamped credit guarantee scheme for MSMEs to take effect from 1st April 2023 through the infusion of Rs. 9,000 crore (US\$ 1.09 billion) in the corpus. This scheme would enable additional collateral-free guaranteed credit of Rs. 2 lakh crore (US\$ 24.4 billion) and also reduce the cost of the credit by about 1%.
- 100 labs to be setup for 5G services-based application development to realize a new range of opportunities, business models, and employment potential.

### GOBARdhan (Galvanizing Organic Bio-Agro Resources Dhan) scheme:

- 500 new ‘waste to wealth’ plants shall be established under the scheme for promoting a circular economy at a total investment of Rs. 10,000 crore (US\$ 1.21 billion).
- 5% compressed biogas mandate to be introduced for all organizations marketing natural and biogas.

- Centre to facilitate one crore farmers to adopt natural farming over the next three years. For this, 10,000 Bio-Input Resource Centres are to be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.

#### **Pradhan Mantri Kaushal Vikas Yojana 4.0:**

- This scheme aims to skill lakhs of youth within the next three years covering new-age courses for Industry 4.0 like coding, AI, robotics, mechatronics, IoT, 3D printing, drones, and soft skills.
- 30 Skill India International Centres to be set up across different States to skill the youth for international opportunities.

#### **Central Processing Centre:**

- Central Processing Centre to be set up to ensure faster response to companies through centralized handling of various forms filed with field offices under the Companies Act.

#### **Agriculture**

- Agriculture Accelerator Fund to be set up to encourage agri-startups by young entrepreneurs in the rural area.
- To make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research, and technologies at the international level.
- Rs. 20 lakh crore (US\$ 243.7 billion) agricultural credit targeted at animal husbandry, dairy, and fisheries.
- A new sub-scheme of PM Matsya Sampada Yojana with a targeted investment of Rs. 6,000 crore (US\$ 731 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- Massive decentralised storage capacity to be set up to help farmers store their produce and realize remunerative prices through sale at appropriate times.
- Computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of Rs. 2,516 crore (US\$ 306.7 million) initiated.

#### **Health:**

- 157 new nursing colleges to be established in co-location with the existing 157 medical colleges established since 2014.
- Sickle Cell Anaemia elimination mission to be launched.
- Joint public and Private Medical research to be encouraged via select ICMR labs for encouraging collaborative research and innovation.
- New Programme to promote research in Pharmaceuticals to be launched.
- Aspirational Blocks Programme covering 500 blocks launched for saturation of essential government services across multiple domains such as health, nutrition, education, agriculture, water resources, financial inclusion, skill development, and basic infrastructure.
- Rs. 15,000 crore (US\$ 1.82 billion) for implementation of the Pradhan Mantri PVTG Development Mission over the next three years under the Development Action Plan for the Scheduled Tribes.
- Investment of Rs. 75,000 crore (US\$ 9.14 billion), including Rs. 15,000 crore (US\$ 1.82 billion) from private sources, for one hundred critical transport infrastructure projects, for last and first-mile connectivity for ports, coal, steel, fertilizer, and food grains sectors.
- New Infrastructure Finance Secretariat was established in order to enhance opportunities for private investment in infrastructure.

#### **Education:**

- District Institutes of Education and Training to be developed as vibrant institutes of excellence for Teachers' Training.
- A National Digital Library for Children and Adolescents to be set-up for facilitating the availability of quality books across geographies, languages, genres and levels, and device-agnostic accessibility.
- Rs. 5,300 crore (US\$ 645.9 million) to be given as central assistance to the Upper Bhadra Project to provide sustainable micro irrigation and filling up of surface tanks for drinking water.
- 'Bharat Shared Repository of Inscriptions' to be set up in a digital epigraphy museum, with the digitization of one lakh ancient inscriptions in the first stage.

- Continuation of a 50-year interest-free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions.
- Encouragement to states and cities to undertake urban planning reforms and actions to transform our cities into 'sustainable cities of tomorrow'.
- Transition from manhole to the machine-hole mode by enabling all cities and towns to undertake 100% mechanical desludging of septic tanks and sewers.
- iGOT Karmayogi, an integrated online training platform, has been launched to provide continuous learning opportunities for lakhs of government employees to upgrade their skills and facilitate a people-centric approach.
- Three centres of excellence for Artificial Intelligence to be set up in top educational institutions to realise the vision of "Make AI in India and Make AI work for India".
- National Data Governance Policy to be brought out to unleash innovation and research by start-ups and academia.
- One-stop solution for the purpose of reconciliation and updating the identity and address of individuals to be established using DigiLocker service and Aadhaar as foundational identity.
- 95% of the forfeited amount relating to bid or performance security, shall be returned to MSMEs by the government and government undertakings in cases wherein the MSMEs failed to execute contracts during the Covid period.
- Result Based Financing to allocate scarce resources in order to compete for development needs.
- Phase-3 of the E-Courts project is to be launched with an outlay of Rs. 7,000 crore (US\$ 852.9 million) for the efficient administration of justice.
- R & D grant for Lab Grown Diamonds (LGD) sector to act as an encouraging factor for the indigenous production of LGD seeds and machines and to further reduce import dependency.

#### Energy Sector:

- Annual production of 5 MMT under the Green Hydrogen Mission to be targeted by 2030 to facilitate the transition of the economy to low carbon intensity and to reduce dependence on fossil fuel imports.
- Rs. 35,000 crore (US\$ 4.3 billion) outlay for energy security, energy transition, and net zero objectives.
- Battery energy storage systems to be promoted to steer the economy on the sustainable development path.
- Rs. 20,700 crore (US\$ 2.52 billion) outlay provided for renewable energy grid integration and evacuation from Ladakh.
- PM-PRANAM: 'PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth' (PM-PRANAM) to be launched to incentivize States and Union Territories to promote alternative fertilizers and balanced use of chemical fertilizers.
- MISHTI: 'Mangrove Initiative for Shoreline Habitats & Tangible Incomes', (MISHTI), to be taken up for mangrove plantation along the coastline and on salt pan lands, through convergence between MGNREGS, CAMPA Fund, and other sources.
- Green Credit Program: Green Credit Programme is to be notified under the Environment (Protection) Act in order to incentivize and mobilize additional resources for environmentally sustainable and responsive actions.
- Amrit Dharohar scheme to be implemented over the next three years in order to encourage the optimal usage of wetlands, enhance biodiversity, carbon stock, eco-tourism opportunities, and help in income generation for local communities.
- A unified Skill India Digital Platform to be launched in order to enable demand-based formal skilling, linking with employers including MSMEs, and facilitating access to entrepreneurship schemes.
- Direct Benefit Transfer under a pan-India National Apprenticeship Promotion Scheme to be rolled out with the objective of providing stipend support to 47 lakh youth in three years.
- Tourism: At least 50 tourist destinations are to be selected through challenge mode and to be further developed as a complete package for domestic and foreign tourists.
- Dekho Apna Desh: Sector-specific skilling and entrepreneurship development to be dovetailed to achieve the objectives of the 'Dekho Apna Desh' initiative.
- Vibrant Villages Programme: Tourism infrastructure and amenities to be facilitated in border villages under the purview of the Vibrant Villages Programme.
- Unity Mall: States are to be encouraged to set up a Unity Mall for the promotion and sale of their own and also all other states' ODOPs (One District, One Product), GI products, and handicrafts.
- National Financial Information Registry: National Financial Information Registry to be set up which shall serve as the central repository of financial and ancillary information in order to facilitate the efficient flow of credit, promoting financial inclusion, and fostering financial stability. A new legislative framework is to be designed in consultation with RBI to govern this credit public infrastructure.
- Financial sector regulators to carry out a comprehensive review of existing regulations in consultation with public and regulated entities. Time limits to decide the applications under various regulations would also be laid down.

Following measures to be taken in order to enhance business activities in GIFT IFSC:

- Delegating powers under the SEZ Act to IFSCA to avoid dual regulation.
- Setting up a single window IT system for registration and approval from IFSCA, SEZ authorities, GSTN, RBI, SEBI, and IRDAI.
- Permitting acquisition financing by IFSC Banking Units of a foreign bank.
- Establishing a subsidiary of EXIM Bank for trade refinancing.
- Amending IFSCA Act for statutory provisions for arbitration, ancillary services, and avoiding dual regulation under SEZ Act.
- Recognizing offshore derivative instruments as valid contracts.
- Amendments proposed to the Banking Regulation Act, the Banking Companies Act, and the Reserve of India Act to improve bank governance and enhance investors' protection.
- Countries looking for digital continuity solutions would be facilitated for setting up their Data Embassies in GIFT IFSC.
- SEBI to be empowered to develop, regulate, maintain, and enforce norms and standards for education in the National Institute of Securities Markets and to recognize the award of degrees, diplomas and certificates.
- Integrated IT portal to be established to enable investors to easily reclaim the unclaimed shares and unpaid dividends from the Investor Education and Protection Fund Authority.
- Mahila Samman Savings Certificate: To commemorate Azadi Ka Amrit Mahotsav, a one-time new small savings scheme, Mahila Samman Savings Certificate to be launched. It will offer deposit facility upto Rs. 2 lakh (US\$ 2,437.6) in the name of women or girls for tenure of 2 years (up to March 2025) at fixed interest rate of 7.5% with partial withdrawal option.
- The maximum deposit limit for Monthly Income Account Scheme to be enhanced from Rs. 4.5 lakh (US\$ 5,482.8) to Rs. 9 lakh (US\$ 10,965.5) for a single account and from Rs. 9 lakh (US\$ 10,965.5) to Rs. 15 lakh (US\$ 18,276.5) for a joint account.
- The entire fifty-year interest-free loan to states to be spent on capital expenditure within 2023-24. Part of the loan is conditional on States increasing actual Capital expenditure and parts of the outlay shall be linked to States undertaking specific loans.
- Fiscal Deficit of 3.5% of GSDP allowed for States of which 0.5% is tied to Power sector reforms.

## ESTIMATES

### Revised Estimates 2022-23:

- The total receipts other than borrowings is Rs. 24.3 lakh crore (US\$ 296.1 billion), of which the net tax receipts are Rs. 20.9 lakh crore (US\$ 254.7 billion).
- The total expenditure is Rs. 41.9 lakh crore (US\$ 510.6 billion), of which the capital expenditure is about Rs. 7.3 lakh crore (US\$ 88.9 billion).
- The fiscal deficit is 6.4% of GDP, adhering to the Budget Estimate.

### Budget Estimates 2023-24:

- The total receipts other than borrowings is estimated at Rs. 27.2 lakh crore (US\$ 331.5 billion) and the total expenditure is estimated at Rs. 45 lakh crore (US\$ 548.4 billion).
- The net tax receipts are estimated at Rs. 23.3 lakh crore (US\$ 283.9 billion).
- The fiscal deficit is estimated to be 5.9% of GDP.
- To finance the fiscal deficit in 2023-24, the net market borrowings from dated securities are estimated at Rs. 11.8 lakh crore (US\$ 143.8 billion).
- The gross market borrowings are estimated at Rs. 15.4 lakh crore (US\$ 187.7 billion).

## DIRECT TAXES (PART – B)

- △ Direct Tax proposals aim to maintain the continuity and stability of taxation, further simplify and rationalise various provisions to reduce the compliance burden, promote the entrepreneurial spirit, and provide tax relief to citizens.
- △ Constant endeavour of the Income Tax Department to improve taxpayers' services by making compliance easy and smooth.
- △ To further improve taxpayer services, a proposal to roll out a next-generation Common IT Return Form for taxpayer convenience, along with plans to strengthen the grievance redressal mechanism.
- △ Rebate limit of Personal Income Tax to be increased to Rs. 7 lakh (US\$ 8,528.4) from the current Rs. 5 lakh (US\$ 6,093) in the new tax regime. Thus, persons in the new tax regime, with income up to Rs. 7 lakh (US\$ 8,528.4) do not pay any tax.
- △ Tax structure in the new personal income tax regime, introduced in 2020 with six income slabs, to change by reducing the number of slabs to five and increasing the tax exemption limit to Rs. 3 lakh (US\$ 3,654.9). Change to provide major relief to all taxpayers in the new regime.
- △ Proposal to extend the benefit of a standard deduction of Rs. 50,000 (US\$ 609.2) to salaried individuals, and deduction from family pensions up to Rs. 15,000 (US\$ 182.8), in the new tax regime.
- △ Highest surcharge rate to reduce from 37% to 25% in the new tax regime. This will further result in a reduction of the maximum personal income tax rate to 39%.
- △ The limit for tax exemption on leave encashment on the retirement of non-government salaried employees to increase to Rs. 25 lakh (US\$ 30,462.2).
- △ The new income tax regime to be made the default tax regime. However, citizens will continue to have the option to avail the benefit of the old tax regime.
- △ Enhanced limits for micro-enterprises and certain professionals for availing the benefit of presumptive taxation proposed. Increased limit to apply only in case the amount or aggregate of the amounts received during the year, in cash, does not exceed 5% of the total gross receipts/turnover.
- △ Deduction for expenditure incurred on payments made to MSMEs to be allowed only when payment is actually made in order to support MSMEs in timely receipt of payments.
- △ New co-operatives that commence manufacturing activities till 31.3.2024 to get the benefit of a lower tax rate of 15%, as presently available to new manufacturing companies.
- △ Opportunity provided to sugar co-operatives to claim payments made to sugarcane farmers for the period prior to the assessment year 2016-17 as an expenditure. This is expected to provide them relief of almost Rs. 10,000 crore (US\$ 1.21 billion).
- △ Provision of a higher limit of Rs. 2 lakh (US\$ 2,436.8) per member for cash deposits to and loans in cash by Primary Agricultural Co-operative Societies (PACS) and Primary Co-operative Agriculture and Rural Development Banks (PCARDBs).
- △ A higher limit of Rs. 3 crore (US\$ 365,578.1) for TDS on cash withdrawal to be provided to co-operative societies.
- △ Date of incorporation for income tax benefits to start-ups to be extended from 31.03.23 to 31.3.24.
- △ Proposal to provide the benefit of carry forward of losses on change of shareholding of start-ups from seven years of incorporation to 10 years.
- △ Deduction from capital gains on investment in residential houses under sections 54 and 54F to be capped at Rs. 10 crore (US\$ 1.21 million) for better targeting of tax concessions and exemptions.
- △ Proposal to limit income tax exemption from proceeds of insurance policies with very high value, where the aggregate of premium for life insurance policies (other than ULIP) issued on or after 1st April 2023 is above Rs. 5 lakh (US\$ 6,093), income from only those policies with aggregate premium up to Rs. 5 lakh (US\$ 6,093) shall be exempted.
- △ Income of authorities, boards, and commissions set up by statutes of the Union or State for the purpose of housing, development of cities, towns and villages, and regulating, or regulating and developing an activity or matter, proposed to be exempted from income tax.
- △ Minimum threshold of Rs. 10,000 (US\$ 121.8)/- for TDS to be removed and taxability relating to online gaming to be clarified. Proposal to provide for TDS and taxability on net winnings at the time of withdrawal or at the end of the financial year.
- △ Conversion of gold into the electronic gold receipt and vice versa not to be treated as capital gain.
- △ TDS rate to be reduced from 30% to 20% on taxable portion of EPF withdrawal in non-PAN cases.
- △ Income from Market Linked Debentures to be taxed.
- △ Deployment of about 100 Joint Commissioners for disposal of small appeals in order to reduce the pendency of appeals at the Commissioner level.
- △ Increased selectivity in taking up appeal cases for scrutiny of returns already received this year.
- △ Period of tax benefits to funds relocating to IFSC, GIFT City extended till 31.03.2025.
- △ Certain acts of omission of liquidators under section 276A of the Income Tax Act are to be decriminalized with effect from 1st April 2023.

- △ Carry forward losses on strategic disinvestment including that of IDBI Bank to be allowed.
- △ Agniveer Fund to be provided EEE (exempt-exempt-exempt) status. The payment received from the Agniveer Corpus Fund by the Agniveers enrolled in Agnipath Scheme, 2022 proposed to be exempt from taxes. Deduction in the computation of total income is proposed to be allowed to the Agniveer on the contribution made by him or the Central Government to his Seva Nidhi account.

## INDIRECT TAXES

- △ Number of basic customs duty rates on goods, other than textiles and agriculture, reduced to 13 from 21.
- △ Minor changes in the basic customs duties, cesses, and surcharges on some items including toys, bicycles, automobiles, and naphtha.
- △ Excise duty exempted on GST-paid compressed biogas contained in blended compressed natural gas.
- △ Customs Duty on specified capital goods/machinery for the manufacture of lithium-ion cell for use in the battery of electrically operated vehicles (EVs) extended to 31.03.2024.
- △ Customs duty exempted on vehicles, specified automobile parts/components, sub-systems, and tyres when imported by notified testing agencies, for the purpose of testing and/ or certification, subject to conditions.
- △ Customs duty on the camera lens and its inputs/parts for use in the manufacture of camera module of cellular mobile phones was reduced to zero and concessional duty on lithium-ion cells for batteries was extended for another year.
- △ Basic customs duty reduced on parts of open cells of TV panels to 2.5%.
- △ Basic customs duty on electric kitchen chimney increased to 15% from 7.5%.
- △ Basic customs duty on heat coil for manufacture of electric kitchen chimneys reduced to 15% from 20%.
- △ Denatured ethyl alcohol used in chemical industry exempted from basic customs duty.
- △ Basic customs duty reduced on acid grade fluorspar (containing by weight more than 97% of calcium fluoride) to 2.5% from 5%.
- △ Basic customs duty on crude glycerin for use in the manufacture of epichlorohydrin reduced to 2.5% from 7.5%.
- △ Duty reduced on key inputs for domestic manufacture of shrimp feed.
- △ Basic customs duty reduced on seeds used in the manufacture of lab-grown diamonds.
- △ Duties on articles made from dore and bars of gold and platinum increased.
- △ Import duty on silver dore, bars, and articles increased.
- △ Basic Customs Duty exemption on raw materials for the manufacture of CRGO Steel, ferrous scrap, and nickel cathode continued.
- △ Concessional BCD of 2.5% on copper scrap is continued.
- △ Basic customs duty rate on compounded rubber increased to 25% from 10% or 30 per kg whichever is lower.
- △ National Calamity Contingent Duty (NCCD) on specified cigarettes revised upwards by about 16%.
- △ Legislative Changes in Customs Laws:
  - Customs Act, 1962 to be amended to specify a time limit of nine months from the date of filing an application for passing the final order by the Settlement Commission.
  - Customs Tariff Act to be amended to clarify the intent and scope of provisions relating to Anti-Dumping Duty (ADD), Countervailing Duty (CVD), and Safeguard Measures.
- △ CGST Act to be amended:
  - To raise the minimum threshold of tax amount for launching prosecution under GST from Rs. 1 crore to 2 crore.
  - To reduce the compounding amount from the present range of 50 to 150% of the tax amount to the range of 25 to 100%.
  - Decriminalise certain offences.
  - To restrict filing of returns/statements to a maximum period of three years from the due date of filing of the relevant return/statement.
  - To enable unregistered suppliers and composition taxpayers to make intra-state supply of goods through E-Commerce Operators (ECOs).

## ENGINEERING INDUSTRY OVERVIEW

### INTRODUCTION

The engineering sector is the largest of the industrial sectors in India. It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations. Demand for engineering sector services is being driven by capacity expansion in industries like infrastructure, electricity, mining, oil and gas, refinery, steel, automobiles, and consumer durables. India has a competitive advantage in terms of manufacturing costs, market knowledge, technology, and innovation in various engineering sub-sectors. India's engineering sector has witnessed a remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of huge strategic importance to India's economy.

The development of the engineering sector of the economy is also significantly aided by the policies and initiatives of the Indian government. The engineering industry has been de-licensed and allows 100% foreign direct investment (FDI). Additionally, it has grown to be the biggest contributor to the nation's overall merchandise exports.

India became a permanent member of the Washington Accord (WA) in June 2014. It is now a part of an exclusive group of 17 countries who are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers.

### MARKET SIZE

Capital Goods sector contributes to 12% of India's manufacturing output and 1.8% to GDP. Market valuation of the capital goods industry was US\$ 43.2 billion in FY22.

Imports of Electrical Machinery in India increased to US\$ 16.1 billion in 2021. The Indian electrical equipment industry comprises of two broad segments, Generation equipment (boilers, turbines, generators) and Transmission & Distribution (T&D) and allied equipment like transformers, cables, transmission lines, etc. The sector contributes about 8% to the manufacturing sector in terms of value, and 1.5% to overall GDP. Incentives for capacity addition in power generation will further increase the demand for electrical machinery.

The electrical equipment market share in India is expected to increase by US\$ 33.74 billion from 2021 to 2025 at a CAGR of 9%. Domestic electrical equipment market is expected to grow at an annual rate of 12% to reach US\$ 72 billion by 2025. In FY21, India's heavy electrical equipment production stood at Rs. 168,949 crore (US\$ 21.15 billion). Production of generation equipment (boilers, turbines and generators) in India is estimated to be around US\$ 5.7 billion by 2022. The electrical machinery/equipment segment grew nearly 90% with shipments jumping to Rs. 13,606 crore (US\$ 1.6 billion) in the April-July 2022 from Rs. 7,202 crore (US\$ 869 million) in the year-ago period.

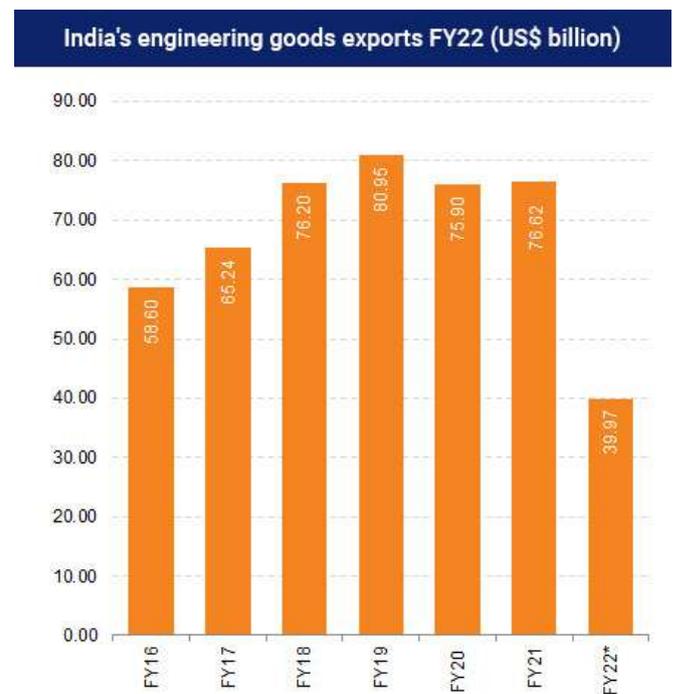
The Indian textile machinery industry was expected to touch US\$ 6 billion mark by 2022. India's textile machinery exports registered a growth of 21.4% to US\$ 762.15 million in the first nine months of 2022.

The market size of Plastic machinery sector stood at US\$ 0.5 billion.

The market size of process plant equipment sector stood at US\$ 3.7 billion.

In 2021, the production data of Earthmoving and Mining Machinery stood at US\$ 3.5 billion

Foundry industry has a turnover of approx. US\$ 19 billion with export approx. US\$ 3.1 billion.



There are 750–800 domestic Medical Devices manufacturers in India, with an average investment of US\$ 2.3–2.7 million and an average turnover of US\$ 6.2–6.9 million.

The Indian industrial fasteners market is expected to reach a value of Rs. 460 billion by 2023 expanding at a CAGR of ~9.6% from 2018.

India steam boiler systems market size is expected to reach nearly US\$ 22.56 billion by 2027 with the CAGR of 4.63% during the forecast period.

The India generator sets market is expected to grow at a CAGR of more than 5% over the period of 2020-2025.

The India power transformer market is expected to rise at a CAGR of more than 3% during the forecast period of 2020-25.

Indian switchgear market is projected to grow at a CAGR of over 15% through 2023, on account of rising development across residential, commercial and industrial end use sectors.

India's automotive industry is worth more than US\$ 222 billion, contributes 8% of the country's total export, accounts for 7.1% of India's GDP and is set to become the 3rd largest in the world by 2030.

Indian auto components industry, which accounts for 2.3% of India's GDP currently, is set to become the 3rd largest globally by 2025.

The Indian agricultural equipment market reached a value of Rs. 926 billion (US\$ 11.1 billion) in 2021.

The Indian machine tools market size reached US\$ 1.4 Billion in 2022 and is expected to reach US\$ 2.5 billion by 2028, exhibiting a growth rate (CAGR) of 9.4% during 2023-28.

The Indian automated material handling (AMH) market was valued at US\$ 1,353.8 million in 2020 and is expected to go up to US\$ 2,739.34 million by 2026 at a CAGR of 12.7%.

In FY21, India's heavy electrical equipment production stood at Rs. 168,949 crore (US\$ 21.15 billion). The electrical equipment market is forecasted to grow at 12% CAGR to reach US\$ 72 billion by 2025 from US\$ 48-50 billion in 2021. The electrical equipment export market is forecasted to reach US\$ 13 billion by 2025, from US\$ 8.62 billion in 2021.

Indian machine tool production and consumption were estimated at Rs. 6,602 crore (US\$ 879.38 million) and Rs. 12,036 crore (US\$ 1.6 billion), respectively, in FY21, while exports stood at Rs. 531 crore (US\$ 66.48 million).

The boiler industry's market size stood at US\$ 146 million in 2019 and is expected to grow at a CAGR of 6% to reach US\$ 194 million by 2025. Export of boilers stood at US\$ 106.53 million between April-November 2020, with around 72 million units exported.

The market size of high voltage switchgear (including panels) and low voltage switchgear (including panels) stood at Rs. 4,793 crore (US\$ 679.95 million).

In FY22, India exported engineering goods worth US\$ 111.63 billion, a 45.51% increase YoY. India exports engineering goods mostly to US and Europe, which account for over 60% of the total exports.

## **INVESTMENTS**

FDI inflow for miscellaneous mechanical and engineering industries stood at US\$ 4.10 billion between April 2000-September 2022.

Engineering accounts for about 25% of India's total global exports in the goods sector and is one of the largest foreign exchange earners.

In FY22, India exported engineering goods worth US\$ 111.63 billion, a 45.51% YoY growth.

Cumulative engineering exports for April-December 2022-23 stood at US\$ 79.83 billion

In December 2022, exports of engineering goods from India stood at US\$ 9.08 billion.

India's engineering goods are exported to key markets such as the US, Europe, and China

The value of shipments to the US, the top market for India's engineering goods, stood at US\$ 1.58 billion in December 2022

Engineering exports to China stood at US\$ 233.2 million whereas to the European Union (EU) it stood at US\$ 1.54 billion in December 2022.

Export of engineering goods is expected to reach US\$ 200 billion by 2030.

The engineering industry in Gujarat reported exports worth US\$ 25 billion contributing around 36% of the India's engineering exports.

- Creation of a significant number of special economic zones (SEZs) across the country has been approved.
- The development of Delhi Mumbai Industrial Corridor (DMIC) across seven states will further bolster the engineering sector.
- Reliance Defence and Engineering Ltd has signed an agreement with the US Navy for undertaking service, maintenance and repair of Seventh Fleet of US Navy at the Reliance Shipyard at Pipavav in Gujarat.
- American plane maker Boeing Corporation has launched the Boeing India Engineering & Technology Centre in Bengaluru.
- In November 2022, L&T Infotech and Mindtree merged to make India's 5th-largest IT company, LTIMindtree, that will help businesses proactively take on and shape the future by harnessing the full power of digital technologies.
- In January 2023, Bharat Heavy Electricals Ltd (BHEL) bagged the order for renovation and modernization of 200 MW Unit-3 and 210 MW Unit-5 steam turbines at Ukai thermal power station in Gujarat.
- ABB India ABB can utilize around Rs. 1,800 crore (US\$ 217.2 million) of its cash balance for inorganic growth or acquisitions apart from organic expansion plan.
- In January 2023, L&T Technology Services Limited announced to acquire the Smart World & Communication (SWC) Business of L&T, to combine synergies and take offerings in Next-Gen Communications, Sustainable Spaces and Cybersecurity to the global market.

FDI inflow for miscellaneous mechanical and engineering industries stood at US\$ 4.14 billion between April 2000-June 2022 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

In the recent past, there have been many major investments and developments in the Indian engineering and design sector:

- In October 2022, exports of engineering goods from India stood at US\$ 7.4 billion. In October 2022, the total production of passenger vehicles\*, three wheelers, two wheelers, and quadricycles was 2,191,090 units.
- In FY21, production of boilers stood at Rs. 6,728.36 crore (US\$ 842.35 million).
- Exports of auto components stood at Rs. 1.41 lakh crore (US\$ 19 billion) in FY22.
- With 100% FDI allowed through the automatic route, major international players such as Cummins, GE, ABB and Alfa Laval have entered the Indian engineering sector due to growth opportunities. In February 2022, Microsoft India and Larsen & Toubro (L&T) signed a Memorandum of Understanding (MoU) to build a regulated sector cloud product. The two businesses will collaborate with a select group of significant customers in regulated industries to design architectures and roadmaps to help them achieve their digital transformation goals and transition traditional datacenters to hybrid cloud architecture.
- In September 2021, Bharat Fritz Werner India, a leading machine tool manufacturer in the subcontinent, announced that it is entering the metal additive manufacturing area. In September 2021, Larsen & Toubro (L&T) announced that it will participate in the Expo 2020, Dubai to be held from October 5, 2021, to March 31, 2022, as part of the Indian pavilion. L&T plans to demonstrate its capabilities in hydrocarbon engineering, and businesses such as water-effluent treatment, power transmission and distribution.
- In August 2021, Bharat Heavy Electricals secured its largest-ever order worth Rs. 10,800 crore (US\$ 1.45 billion) from the Nuclear Power Corporation of India Limited (NPCIL) for the EPC of a turbine island for 6 units of 700 MW.
- The Auto Component Manufacturers Association (ACMA) expects auto component revenue to increase by 20-30% in the next fiscal year due to demand from OEMs and increase in export. The association expects the Indian auto component export to grow up to US\$ 30 billion over the next five years.
- In May 2021, TVS Motor Company announced that it sold one lakh units of its 'NTORQ 125' scooter in the international market.
- In April 2021, Tata Power, in collaboration with Hitachi ABB Power Grids and Cargill, commissioned India's largest natural ester-filled 110/33/22 kV, 125 MVA power transformer in the Mumbai Transmission network at the Bandra-Kurla Complex receiving station.
- In March 2021, Hitachi ABB Power Grids Ltd. bagged an order worth Rs. 160 crore (US\$ 21.66 million) to supply transformers to the Indian Railways.

- In January 2021, Tesla, the electric car maker, set up a R&D centre in Bengaluru and registered its subsidiary as Tesla India Motors and Energy Private Limited.

## GOVERNMENT INITIATIVES

The Indian engineering sector is of strategic importance to the economy owing to its intense integration with other industry segments. The sector has been de-licensed and enjoys 100% FDI. With the aim to boost the manufacturing sector, the government has relaxed the excise duties on factory gate tax, capital goods, consumer durables and vehicles.

- In 2021, the government is pursuing strategic sale in 22 PSU firms of which 17 are ongoing transactions including BPCL, Shipping Corporation of India, Concor and BEML.
- To increase the employability of engineering graduates in the country, AICTE (All India Council of Technical Education) leadership is taking a lot of efforts and recommends model curriculum for engineering programs like AI, IoT, Robotics, Block chain, Machine learning, Data Science and Cyber security.
- In October 2022, NSIC Signs MoU with Phillips Machine Tools India Pvt. Ltd. for Skill Development Training in Additive Technologies which is the future of manufacturing.
- In June 2022: Ministry of Heavy Industries (MHI) and Ministry of Skill Development and Entrepreneurship (MSDE) sign MoU to facilitate training in engineering trades to boost capital goods sector. In May 2022, MHI signs an MoU with National Research Development Corporation to facilitate various activities for smooth implementation of the Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector.
- In Budget 2023-24, Ministry of Railways received its highest-ever allocation of Rs. 2.4 lakh crore (US\$ 28.9 billion), approximately nine times the allocation in 2013-14.
- In Budget 2023-24, Ministry of Road Transport and Highways saw a 36% increase in its budget to about Rs. 2.7 lakh crore (US\$ 32.5 billion).
- The government launched the National Infrastructure Pipeline (NIP) with a forward-looking approach and with a projected infrastructure investment of around Rs. 111 lakh crore (US\$ 1.3 trillion), during FY20-25 to provide high quality infrastructure across the country. The NIP currently has 8,964 projects with a total investment of more than Rs. 108 lakh crore (US\$ 1.3 trillion) under different stages of implementation. Increase in the construction of National Highways (NHs)/roads over time, with 10,457 km of roads constructed in FY22 as compared to 6,061 km in FY16.
- Total budgetary support for investment in the sector has been increasing rapidly in the last four years and stood at around Rs. 1.4 lakh crore (US\$ 16.8 billion) during FY23 (as of 31 October 2022).
- In line with the vision of monetization of public sector assets, National Highways Authority of India (NHAI) launched its InvIT in FY22. NHAI InvIT has raised more than Rs. 10,200 crore (US\$ 1.2 billion) from high quality foreign and Indian institutional investors (up to December 2022).
- In Budget 2023, customs duty exemption is being provided to import of specified capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles and mobile handsets.
- The electrical machinery industry has been de-licensed, along with 100% FDI allowed in this sector. This has facilitated the entry of major global players into the electrical machinery industry in India.
- Under the Union Budget 2023-24, Government has committed an outlay of Rs. 10 lakh crore (US\$ 120 billion) towards infrastructure capital expenditure compared to Rs. 7.5 lakh crore (US\$ 90 billion) (BE) during 2022-23, which is a 33% year-on-year increase.
- Under Union Budget 2023-24, defence sector has been allocated a budget of Rs. 5.94 lakh crore (\$72 billion).
- In February 2022, the Prime Minister inaugurated Asia's largest bio-CNG plant set up under the Indore Smart City Project.
- In November 2022, Engineering Export Promotion Council of India (EETPC) stated that the government's decision to withdraw the 15% export duty imposed on iron ore and steel products would boost engineering goods exports from the country.
- The All India Council for Technical Education (AICTE) has launched educational books for diploma and undergraduate engineering courses in Marathi language so that students can learn better in their native language.
- The AICTE has entered into collaborations with the MSME ministry, NHAI and DM offices in 150 districts to facilitate engineering internships for students.
- In the Union Budget 2022-23, the government has given a massive push to the infrastructure sector by allocating Rs. 199,107 crore (US\$ 26.52 billion) to enhance the transport infrastructure.
- Prime Minister Mr. Narendra Modi, on the country's 75th Independence Day, announced plans to invest Rs. 100 trillion (US\$ 1.35 trillion) in infrastructure to stimulate economic development and generate employment.
- In October 2021, the Department of Telecommunications (DoT) approved 31 proposals totaling an investment of US\$ 447 million over the next 4.5 years, as part of the PLI scheme for telecom and networking products manufactured in India.
- In October 2021, the Ministry of Textiles allowed pilot projects for application of geo-textiles in infrastructure projects.

- In September 2021, the government announced its PLI scheme of Rs. 10,683 crore (US\$ 1.4 billion) for textiles, specifically aimed at boosting production of man-made fibre (MMF) fabric, MMF apparel and technical textiles.
- In August 2021, Prime Minister Mr. Narendra Modi launched the Voluntary Vehicle-Fleet Modernisation Program (VVMP), also known as the Vehicle Scrapping Policy. The policy will bring in investments worth Rs. 10,000 crore (US\$ 1.35 billion) to set up 450-500 Automated Testing Stations (ATS) and 60-70 Registered Vehicle Scrapping Facilities (RVSF) across the country. A single window clearance portal is being developed where applications for ATS and RVSF will be catered through a single portal within 60 days.
- The government is taking several steps to boost domestic defence manufacturing. In line with this, between FY17-22 (until June 2021), the Indian government signed 264 contracts for defence equipment procurement, with 159 contracts for armed forces equipment procurement.
- In April 2021, Under the Development cum Production Partner (DcPP) programme, Defence Research and Development Organisation (DRDO) allowed private sector firms to develop and produce missile systems, such as vertical launched surface and air missile system programmes, to promote the domestic defence industry.
- The Indian telecom equipment market is likely to increase owing to the government's Rs. 12,195 crore (US\$ 1.6 billion) PLI scheme approved for telecom gear manufacturing in February 2021.

## ROAD AHEAD

The electrical equipment market share in India is expected to increase by US\$ 33.74 billion from 2021 to 2025, and the market's growth momentum will accelerate at a CAGR of 9%.

Investment in engineering R&D sector is expected to reach US\$ 63 billion by 2025.

Market size for the Indian Construction Equipment Market stood at US\$ 5.2 billion in FY22 and is forecasted to grow at a CAGR of 8.9% to reach US\$ 8.7 billion by 2028.

The construction equipment industry is expected to sell 165,097 units by 2028.

The machine tools market is expected to reach US\$ 2.5 billion by 2028, exhibiting a growth rate (CAGR) of 9.4% during 2023-28.

India's expected export of medical devices will reach ~ US\$ 10 billion by 2025.

India steam boiler systems market size is expected to reach nearly US\$ 22.56 billion by 2027 with the CAGR of 4.63% during the forecast period.

engineering sector

The India generator sets market is expected to grow at a CAGR of more than 5% over the period of 2020-25.

The India power transformer market is expected to rise at a CAGR of more than 3% during the forecast period of 2020-2025.

Indian auto components industry, which accounts for 2.3% of India's GDP currently, is set to become the 3rd largest globally by 2025.

Export of engineering goods is expected to reach US\$ 200 billion by 2030.

India plans to spend US\$ 1.4 trillion on infrastructure between 2019-2023 which is predicted to boost the expansive growth of the sector.

The Ministry of Road Transport and Highways plans to construct around 28,391 km of highways in 25 months at a daily average of around 38 km, starting from March 2022 to the end of the financial year 2023-24.

India's installed nuclear power capacity of 6,780 MW will increase to 22,480 MW by 2031 on progressive completion of projects under construction and accorded sanction.

The Indian automated material handling (AMH) market was valued at US\$ 1353.8 million in 2020 and is expected to go up to US\$ 2,739.34 million by 2026 at a CAGR of 12.7%.

Turnover of the capital goods industry was estimated at US\$ 92 billion in 2019 and is forecast to reach US\$ 115.17 billion by 2025. India's engineering R&D market will increase from US\$ 36 billion in FY19 to US\$ 63 billion by FY25. The export of engineering goods is expected to reach US\$ 200 billion by 2030.

India’s earthmoving and construction equipment (ECE) industry has enjoyed strong growth over the last seven years due to rapid economic development, and it has become the third largest construction equipment market in the world. In FY22, the construction equipment industry sold 85,385 units, while the earthmoving sector continues to grow. With development of infrastructure, demand for construction equipment and other machinery is expected to rise significantly.

The material handling equipment sector is expected to gain from robust demand from steel, power, mineral and other infrastructure industries, while demand for machine tools from the capital goods sector (especially automobile and textile industries) is projected to remain high.

The ‘Make in India’ initiative and the government’s focus on ease of doing business is likely to present several opportunities in the engineering and capital goods sector in the upcoming years.

## ENGINEERING GOODS EXPORTS FROM INDIA

### INTRODUCTION

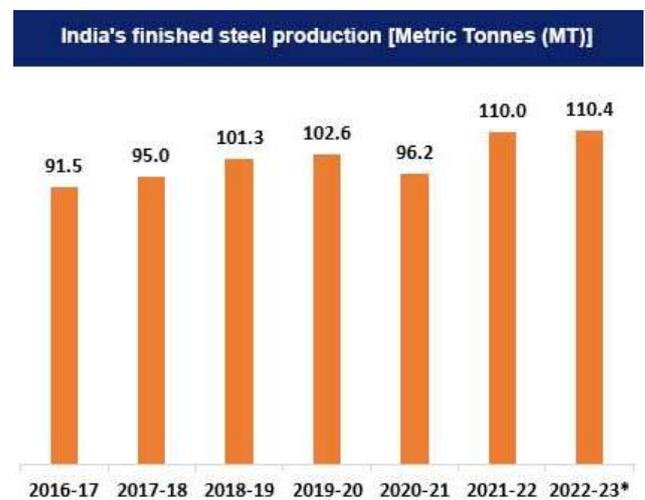
Engineering is the largest industrial sector in India and accounts for 3.53% of the country’s Gross Domestic Product (GDP). The country’s engineering sector comprises manufacturing iron, steel, related products, non-ferrous metals, industrial machinery, automobiles, auto components, and other engineering products. The key goods exported under the industrial machinery category are IC (Internal combustion) engines and parts, industrial machinery for dairy, food processing, textiles, industrial machinery like boilers, parts, machinery for injecting molding, valves, and ATMs.

India became a permanent member of the Washington Accord (WA) in June 2014. It is now a part of an exclusive group of 17 countries that are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers. India’s engineering sector has witnessed remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production. In 2019, the government announced an investment of Rs. 100 lakh crore (US\$ 1.5 trillion) in infrastructure development over the next five years. In the Union Budget 2022-23, the government gave a massive push to the infrastructure sector by allocating Rs. 199,107 crores (US\$ 26.52 billion) to enhance the transport infrastructure. The engineering sector is an important component of the broader manufacturing sector, and the share of engineering products in overall manufacturing output is quite significant. It is also a highly organized sector dominated by large players employing over 4 million skilled and semi-skilled labor.

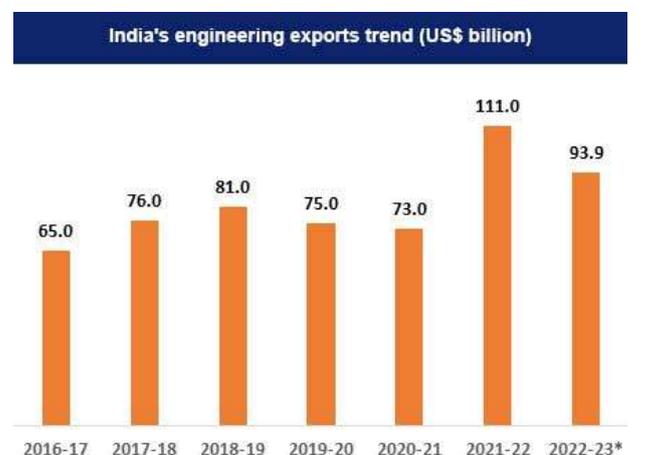
### EXPORT TREND

The engineering goods export of India had a share of 25.77% out of the total exports during the financial year 2021-22 from the country, as the export jumped to US\$ 112.1 billion as compared to US\$ 76.7 Billion during the last financial year 2020-21. The impressive growth in Engineering Goods exports in recent years has largely been due to the Zero duty Export Promotion Capital Goods (EPCG) scheme of the Ministry of Commerce & Industry which forms part of the Foreign Trade Policy (FTP) of the Government of India.

Exports of capital goods contributed about half of the total engineering exports from India. Primary iron, steel, and products and consumer durables exports accounted for 28% & 52%, respectively, while Non-ferrous metals and products export contributed 14% of India’s engineering goods exports in 2021-22. The remaining 5% was composed by consumer durable goods.



Source: Ministry of Steel; \*Until February 2023



Source: Engineering Export Promotion Council of India (EETPC); \*Until February 2023

The iron, steel, and products exports of India were valued at US\$ 31.68 billion in 2021-22, witnessing a growth of 69.6% over the previous year. Among the key products exported from non-ferrous Metals and Products made of non-ferrous metals, Aluminium and products exports were the highest at US\$ 10.52 billion in 2021-22 growing by 81.5% over the previous year. Industrial machinery recorded exports of US\$ 24.68 billion, while electrical machinery exports were valued at US\$ 10.37 billion in 2021-22.

## EXPORT DESTINATIONS

India exports engineering products to the following regions: ASEAN, North-East Asia, Africa, EU, North America, CIS, Latin America, South Asia, Africa, Middle East, West Asia, etc. The top Indian engineering goods importing countries are the USA, the UAE, Italy, Singapore and Germany, with a share of 23.5%, 5.65%, 5.4%, 4.7%, and 4.46%, respectively during April-July 2022-23 out of the 25 countries recorded positive cumulative growth in engineering exports during April-March 2022 over April-March 2021.

Share of the top 25 importing nations of India's engineering goods accounted for 74.6% of India's total engineering exports in 2021-22. This significant-high share is evident of the dependence of India's engineering export on the traditional markets. Italy, UAE and Belgium were the top three importers of Indian Iron and Steel during 2021-22, whereas the US, Germany and the UK were the top three importers of India's 'Products of Iron & Steel' during the same period as compared to 2020-21.

Indian industrial machinery saw the highest imports from the US during 2021-22. Thailand and Germany were the two immediate followers of the US. South Africa, Mexico and Nigeria were the top three importers of India's Automobiles during 2021-22 in India's global exports respectively over the same period last fiscal.

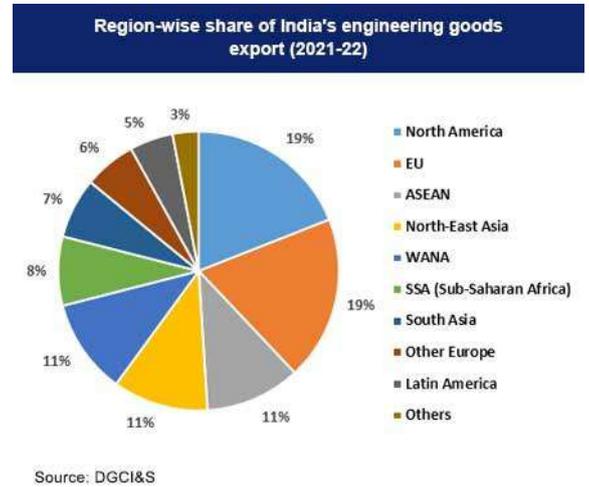
During 2021-22, the top three importers of India's Non-ferrous metals and products were China, South Korea and the US whereas the US, Germany and France were the three top importers of Indian Electrical Machinery & Components during the same period.

## GOVERNMENT INITIATIVES

The government of India has implemented various export promotion schemes, such as the Zero duty Export Promotion Capital Goods (EPCG) scheme, Towns of Export Excellence (TEE), Market Access Initiative (MAI), etc. These schemes are aimed to encourage the exporter and to help grow the revenue from international markets. Also, schemes such as duty exemption, advance authorization, duty-free import, rebate on service tax, etc. have been implemented to ease raw material imports. The Indian Engineering Exposition (INDEE), a brand of EEPC India, is one of the largest engineering expositions in the world.

Apart from the specific schemes mentioned above, the Government of India has taken several initiatives to support and enhance the competitiveness of the domestic engineering goods manufacturing firms such as the "Make in India" initiative, PLI scheme for Automobile, and Auto components, PLI scheme for National Programme on Advanced chemistry cell (ACC) Battery Storage, FAME INDIA II scheme, Capital goods scheme, Industry 4.0.

The Government of India, along with the Engineering export promotion council, frequently organizes International Engineering Sourcing Show (IESS) with the main objective of promoting India's image and providing a platform for Indian exporters to showcase their strengths and capabilities in an emerging market. This has become a unique platform between Indian and overseas engineering firms with B2B meets, thematic seminars and exclusive country and state sessions, bilateral forums.



## SCIENCE AND TECHNOLOGY INDUSTRY REPORT

### INTRODUCTION

Modern India has had a strong focus on science and technology, realising that it is a key element for economic growth. India ranks third among the most attractive investment destinations for technology transactions in the world. With more and more multinational companies setting up their R&D centres in India, the sector has seen an uptrend in investment in recent years.

India is among the top countries globally in the field of scientific research, positioned as one of the top five nations in the field for space exploration. The country has regularly undertaken space missions, including missions to the moon and the famed Polar Satellite Launch Vehicle (PSLV). India is likely to take a leading role in launching satellites for the SAARC nations, generating revenue by offering its space facilities for use to other countries.

The government has introduced multiple policies aimed at projecting India as a science and technology powerhouse and promoting both public and private sector involvement in the R&D practice. As a result, India's gross expenditure on R&D (GERD) has been consistently increasing over the years. The government has also implemented several fellowship schemes to nurture human capacity for advanced research in the country.

### MARKET SIZE

By 2022, R&D expenditure is targeted to reach about 2% of the country's GDP. The engineering R&D and product development market in India is forecast to post a CAGR of 12% to reach US\$ 63 billion by 2025, from US\$ 31 billion in 2019. As per the Economic Survey 2022, India's gross domestic expenditure on R&D (GERD) as a percentage of GDP stood at 0.66%.

IT spending in India will grow 7% YoY to reach US\$ 101.8 billion in 2022, compared to US\$ 81.89 billion in 2021. India's medical technology sector is forecast to reach US\$ 9.6 billion in 2022.

In FY21, there were 5,018 R&D projects, 2,528 fellowships, 3,702 publications, 30,532 ongoing projects and 797 innovations in India.

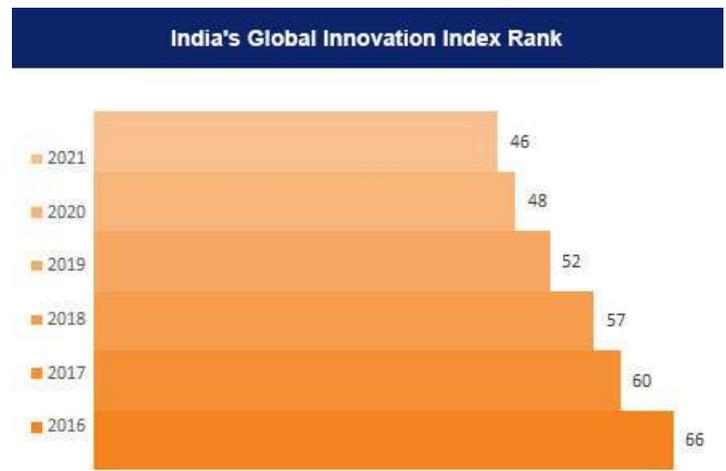
In FY21, the science and technology sector added 1,497,501 employees, becoming India's top employment generator.

Accenture offers a framework for assessing the economic effect of AI for selected G20 countries in its latest AI research studies and forecasts that AI will raise India's annual growth rate by 1.3% by 2035. India's National Artificial Intelligence Strategy prepared by NITI Aayog outlined a way forward to harness the potential of Artificial Intelligence (AI) in different fields.

### DEVELOPMENTS/INVESTMENTS

Some of the recent developments in the field of science and technology in India are as follows:

- In November 2022, Norwest Venture Partners agreed to invest US\$ 32 million in Celebal Technologies, which specialises in AI, big data, and enterprise cloud among other technologies. In exchange, Norwest Venture Partners will acquire a minority stake in the company.
- In August 2022, a centre of excellence (CoE) for the Metaverse and Web3 technologies was opened in India by Coforge, a provider of digital services and solutions. Over 1,000 people will be trained and upskilled by the company.
- In August 2022, Samsung announced that it was expanding its industry-academia program PRISM (Preparing and Inspiring Student Minds) across 70 engineering colleges in India. The program will help educate students in the domains of artificial intelligence, machine learning and IoT.
- Technology incubator T-Hub launched the semiconductor companion of the AIC T-Hub Foundation programme to develop innovation and entrepreneurship across the semiconductor sector startups.



- Actis, a global investor in sustainable infrastructure, is planning to invest over US\$ 700 million in order to acquire and expand assets for its platform aimed at offering real estate to tenants in the life sciences and allied sectors in India.
- In March 2022, Toyota launched its Mirai hydrogen fuel cell car in India. The Indian Oil Corporation would be supplying hydrogen to power the car.
- India's Top 5 IT firms (TCS, Infosys, Wipro, HCL and Tech Mahindra) added more than 122,000 employees in in the first six months of FY22, nearly matching the 138,000 employees hired in the entirety of FY21.
- In October 2021, Biz2Credit, a fintech company, announced plan to invest US\$ 100 million in India over the next five years on research and development activities and expansions.
- From 2014 to 2021, India recorded a 572% growth in patent approvals.
- To accelerate digital innovation in India, NITI Aayog, Amazon Web Services and Intel have come together to develop a new experience studio to boost problem-solving and innovation between government stakeholders, start-ups, enterprises and industry experts. The new experience studio will use technologies such as artificial intelligence, machine learning, Internet of Things, augmented reality, virtual reality, blockchain and robotics to accelerate their use in the public sector.
- TechnoPro, a Japanese tech firm, plans to hire 10,000 engineers and researchers in India by 2022-23.
- Qualcomm plans to invest US\$ 8.5 million on design initiatives in India, which would include funding its innovation labs at Hyderabad and Bangalore for R&D.

## GOVERNMENT INITIATIVES

Some of the recent initiatives taken by the Government of India to promote science and technology in India are:

- The Ministry of Science & Technology has been allocated Rs. 16,361 crore (US\$ 1.97 billion) in the budget 2023-24.
- The Union Budget 2023-24 allocated funds of Rs. 2,000 crore (US\$ 242 million) for the proposed National Research Foundation which is set to support India's research capabilities.
- Rs. 7,931.05 crore (US\$ 959 million) to the Department of Science and Technology along with Rs 2,683.86 crores (US\$ 324.6 million) to the Department of Biotechnology. Meanwhile, the Department of Scientific and Industrial Research has been given Rs. 5,746.51 crore (US\$ 695 million).
- The Centre allocated Rs. 12,543.91 crore (US\$ 1.5 billion) to the department of space, which is responsible for India's space program.
- In November 2022, India announced an additional contribution of US\$ 5 million to the ASEAN-India science and technology fund to increase cooperation in sectors of public health, renewable energy and smart agriculture.
- In November 2022, the Department of Science and Technology (DST) and the Centre for Science and Environment (CSE) decided to work together to build a platform in order to support the development of new electric vehicle (EV) batteries that meet Indian regulations.
- A MoU was signed between the Department of Science and Technology (DST), Ministry of Science and Technology & Earth Sciences, and the Ministry of Ayush. The MoU outlines potential research areas to investigate collaboration, convergence, and synergy for an evidence-based scientific intervention in the Ayush sector and further integration of these into the public health care system.
- The Indian Council of Medical Research (ICMR) has received 31 bids from manufacturers showing interest in developing the vaccine for the monkeypox virus after the medical body put out the Expression of Interest (EOI) for the development of vaccine and diagnostic kits.
- In 2021-22, African Centers of Excellence in a few specific scientific fields were strengthened by twinning with Indian institutes in order to carry out the Africa-India S&T Initiative Program by the Department of Science and Technology.
- The Department of Science & Technology (DST) has revamped the FIST (Fund for Improvement of S & T Infrastructure in Universities and Higher Educational Institutions) programme to align it with the objective of Atmanirbhar Bharat by developing R&D infrastructure for use by start-ups, manufacturing companies, and MSMEs, in addition to R&D operations in academic organisations.
- The Women Science programme of DST has started a new initiative to support women PG colleges under the CURIE (Consolidation of University Research for Innovation and Excellence in Women Universities) Program and invited proposals for the same.
- Under the Union Budget 2022-23, the government announced allocation of Rs. 14,217 crore (US\$ 1.86 billion) to the Ministry of Science and Technology. The Department of Atomic Energy was allocated Rs. 22,723.58 crore (US\$ 2.97 billion), the Department of Science and Technology (DST) was allocated Rs. 6,000 crore (US\$ 785.64 million), and the Ministry of Earth Sciences was allocated Rs. 2,653.51 crore (US\$ 347.45 million).
- To further India with High-Performance Computing (HPC), four new Supercomputers have been installed since July 2021 - one each at IIT-Hyderabad, NABI- Mohali, CDAC-Bengaluru, and IIT Kanpur.

- Synergistic Training Program Utilizing the Scientific and Technological Infrastructure (STUTI), a new initiative, was recently unveiled with the goal of enhancing human resource development and capacity building through nationwide open access to science and technology infrastructure.
- The Science and Engineering Research Board (SERB) has partnered with Intel India to launch a first-of-its-kind initiative to advance deep tech-based research in India.
- In November 2021, the Ministry of Science and Technology and Ministry of Earth Sciences, in association with Vijnana Bharati (VIBHA), launched the India International Science Festival 2021, a unique platform, with its theme being celebration of creativity in science, technology and innovation for a prosperous India.
- In November 2021, Atal Innovation Mission and Vigyan Prasar collaborated to drive synergies between Atal Tinkering Labs and Vigyan Prasar's unique platform, Engage with Science.
- In October 2021, the government announced plans to establish 75 science technology & innovation hubs in India for scheduled castes (SCs) and scheduled tribes (STs) and empower them to contribute to the socio-economic improvement of the country.
- In October 2021, the government launched the Indian Space Association (ISpA) to accelerate technology advancements and strengthen the space sector in the country.
- In October 2021, India and Denmark agreed for a five-year plan to implement green strategic partnership for enhancing collaboration in various areas including science and technology.
- In October 2021, India and Europe held discussions to review the progress on science and technology bilateral cooperation and strengthen efforts on research and innovation.

## ROAD AHEAD

India ranks third among the most innovative lower-middle-income economies in the world. Rising per capita income in India will bring boom in R&D investment in the country with multiple foreign players shifting R&D bases to India. R&D investment and multiple government policies have helped Indian companies overcome tight competition with affordable products internationally.

India plans to move forward with developing its science and technology sector by collaborating with other countries. India has active bilateral science and technology (S&T) programs of cooperation with more than 45 countries, including dedicated programs for Africa, ASEAN, BRICS, EU and neighboring countries. In 2021, India also collaborated with Denmark and agreed for a five-year plan to implement green strategic partnership for enhancing partnership in various areas, including science and technology.

India is aggressively working towards establishing itself as a leader in industrialisation and technological development. Significant developments in the nuclear energy sector are likely as India looks to expand its nuclear capacity. Moreover, nanotechnology is expected to transform India's pharmaceutical industry. The agriculture sector is also likely to undergo a major revamp with the government investing heavily for a technology-driven green revolution. The Government of India, through the Science, Technology and Innovation (STI) Policy-2013, among other things, aspires to position India among the world's top five scientific powers.

*Source: [www.ibef.org](http://www.ibef.org)*

## OUR BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 21 of this Prospectus.*

*This section 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 title “Risk Factors” and the chapters titled “Restated Financial Statements” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 21, 188 and 81 respectively of this Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Holmarc Opto-Mechatronics Limited”. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Indian Accounting Policies set forth in the Prospectus.*

### OVERVIEW

Holmarc Opto-Mechatronics Limited is incorporated in the year 1993 by our promoters Mr. Jolly Cyriac and Mr. Ishach Sainuddin. Our Company manufactures variety of scientific and engineering instruments for research, industry and education i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Opto-mechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation etc.

Our manufacturing facility spread over approx. 29,984 sq.ft. situated at Building No. 11/490, B7, H.M.T. Industrial Estate, Kalamassery, Kanayanoor, Ernakulam – 683503, Kerala is equipped with latest machineries, equipment and instruments which is capable to manufacture diverse products. With state-of-the-art machines, equipment and instruments, Holmarc’s technicians and engineers bring out quality products, each distinct and best in its kind. All our departments, be it optics design, optics manufacturing, mechanics design, electronics R&D or software development are all manned by experienced professionals in the respective disciplines. Holmarc is unique in its approach to providing after sales service. We give maintenance and modification support for all our products as long as our customer needs it irrespective of warranty or year of purchase. We do not make any of our products obsolete, rather encourage our users to modify and use as long as it is technically possible.

Holmarc Opto-Mechatronics Limited is an ISO 9001:2015 certified company for designing, developing and manufacturing scientific instruments and devices for Industries, Research and Educational Institutes. We have successfully implemented quality management system as per industry standard. The goal of the company is to design, manufacture and service quality products that consistently meet our customer’s requirement and needs.

Our Company is engaged in manufacturing of following products:

- |  |   |
|--|---|
| <input type="checkbox"/> Imaging Instruments     | <input type="checkbox"/> Breadboard/Table Tops                |
| <input type="checkbox"/> Measuring Instruments   | <input type="checkbox"/> Opto-mechanics                       |
| <input type="checkbox"/> Spectroscopy            | <input type="checkbox"/> Optics                               |
| <input type="checkbox"/> Analytical Instruments  | <input type="checkbox"/> Linear and Rotation Stages           |
| <input type="checkbox"/> Lab Instruments         | <input type="checkbox"/> Motorized Linear and Rotation Stages |
| <input type="checkbox"/> Physics Lab Instruments | <input type="checkbox"/> Industrial Automation                |

Holmarc is unique in its capabilities to develop and manufacture products which require in-house multi-disciplinary capabilities in optics, mechanics, electronics, physical sciences and software. Products which we developed with our multi-disciplinary resources for commercial manufacture include Hologram Microscope, Fluorescence Microscope, Monochromators, Spectrometers, Nano fiber Electrospinning units. Many of these products are exclusive, innovative and unique in design. Holmarc’s unique products also include Robotic Thin Film Coating System popularly known as Silar Coating Unit, Automated Spray Pyrolysis System for solar cells, Automated Lees disc apparatus for thermal conductivity measurements, Tribo-electric Measurement Station for load cell testing, Magneto-optic Kerr Effect Station (MOKE) for material study, LBIC and PL (Laser Beam Induced Current Measurement and Photo-Luminescence) system.

Holmarc manufactures variety of import substitute products for Indian market which as well can find wide export market. Products which come under this category are Quantum Efficiency Measurement Station for solar cells, UV Laser Marking Station for photo-lithography, Automated Rotary Antenna Positioners, Spectroscopic Ellipsometer for thin film measurements, UV Ozone Cleaner, Spectroscopic Reflectometer, Photo Detector Measurement System, Raman Spectrometer, etc.

Over the last three decades, Holmarc has developed a number of products with unique designs for scientific and engineering applications. Our Company has developed over 800 products with standard specifications and have developed numerous customized products as well.

Holmarc, from its very beginning has maintained cordial and professional relationship with all major research and educational institutes in India. Our Research and Development department constantly interacts with leading research institutes in India for development and up-gradation of our products.

## FINANCIAL HIGHLIGHTS

The financial highlights of our company as per restated consolidated financial statement are as mentioned below:

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	2,903.67	2,102.34	1,553.06
Net Worth <sup>(2)</sup>	1,159.93	823.80	688.60
EBITDA <sup>(3)</sup>	590.40	298.60	163.76
EBITDA Margin <sup>(4)</sup>	20.33%	14.20%	10.54%
Profit After Tax (PAT)	356.14	155.19	68.80
PAT Margin <sup>(5)</sup>	12.27%	7.38%	4.43%

Note:

<sup>(1)</sup> 'Revenue from Operations' means the Revenue from Operations as appearing in the Restated Financial Statements.

<sup>(2)</sup> 'Net Worth' means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(3)</sup> 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Cost

<sup>(4)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

Product-wise break up of our Revenues is as follows:

₹ in lakhs

Particulars*	March 31, 2023	March 31, 2022	March 31, 2021
Imaging Instruments	165.44	45.19	66.29
Measuring Instruments	38.32	11.88	24.36
Spectroscopy	121.72	118.75	98.10
Analytical Instruments	354.10	120.05	158.75
Lab Instruments	518.12	417.47	330.18
Physics Lab Instruments	246.84	230.67	170.76
Breadboard/Table Tops	630.91	494.01	256.46
Opto-mechanics	343.53	288.87	148.53
Optics	59.57	83.32	37.31
Linear and Rotation Stages	116.03	57.62	45.81
Motorized Linear and Rotation Stages	133.00	137.78	136.32
Industrial Automation	67.27	22.62	40.99
Other Equipment	16.22	11.94	4.95
Freight and Packing	92.60	62.17	34.25
<b>Total</b>	<b>2,903.67</b>	<b>2,102.34</b>	<b>1,553.06</b>

\* Certified by Statutory Auditor vide Certificate dated August 03, 2023

## PRODUCT PORTFOLIO

### Imaging Instruments



### Measuring Instruments



**Spectroscopy**



Spectromotor Goniometer



Scattering Photometer - Spectral Light Detection



Diffuse Reflectance Spectrophotometer DRSP100



USB 2.0 CCD Spectrometer CG216 series



UV-VIS-NIR Scanning Spectrometer



Spectra UV-VIS-NIR Standard Monochromators



Mini Monochromator



Confocal Laser Raman Spectrometer



Optical Chopper

**Analytical Instruments**



CCD Spectrophotometer / Fluorometer Spectra Analyte Plus



Spectrophotometer



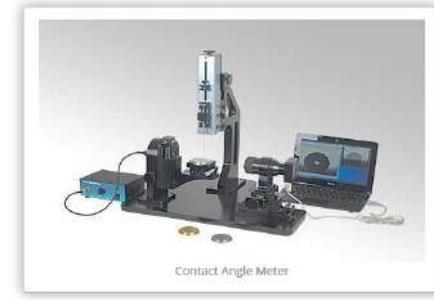
Double Beam Spectrophotometer



Variable Angle Spectroscopic Ellipsometer



Digital Polarimeter



Contact Angle Meter



Contact Angle Meter with MSH, AD & TC



Near Normal Spectroscopic Reflectometer



Quantum Efficiency & IV Measurement System



Photodetector Characterization Setup



Solar Simulator 1



Schlieren Imaging System

**Lab Equipment**



Nano Fiber Electrospinning Unit



Dual Pump Nano Fiber Electrospinning Unit



Nano Fiber Double Spinning & Yarning System



Spray Pyrolysis Equipment



UV Ozone Cleaner 150



SILAR Coating System



SILAR Coating System with Magnetic Stirrer and Ultrasonic Bath Stand



Multiple Dip Coater



Long Travel Dip Coating Unit



Spin Coating Unit



Bench Top Rubbing Machine 1



Vacuum Oven



Electrochemical Discharge Machining System



Desktop Dispensing Unit



Hot Plate

**Physical Lab Equipment**



Interferometry



Polarization



Fiber Optics



Lasers & Opto-Electronics



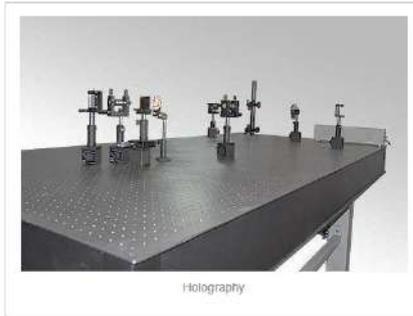
Diffraction



Mechanics



Electricity & Magnetism

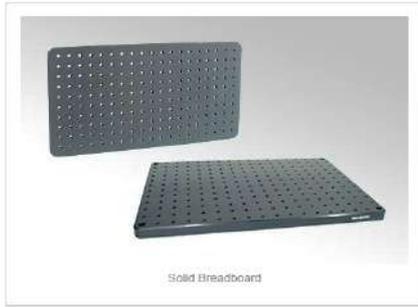


Holography



Astro Physics

**Breadboard/Table Tops**



Solid Breadboard



Tabletop Supports



Overhead Shelves



Enclosures



Rails & Carriers



Labjacks

**Opto-Mechanics**



Kinematic Mirror Mounts

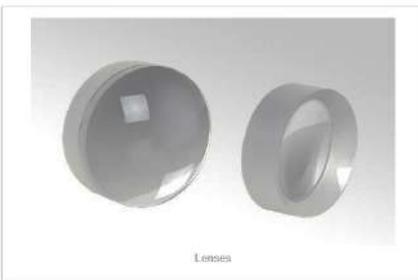


Lens Mounts

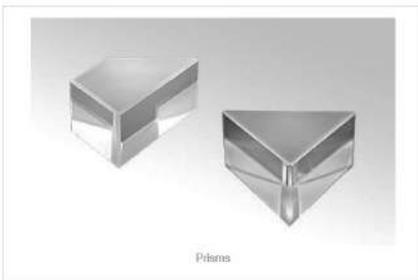


Optical Chopper

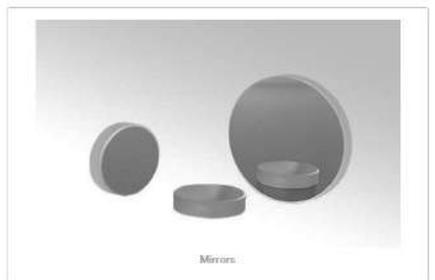
**Optics**



Lenses



Prisms



Mirrors

**Linear and Rotation Stages**



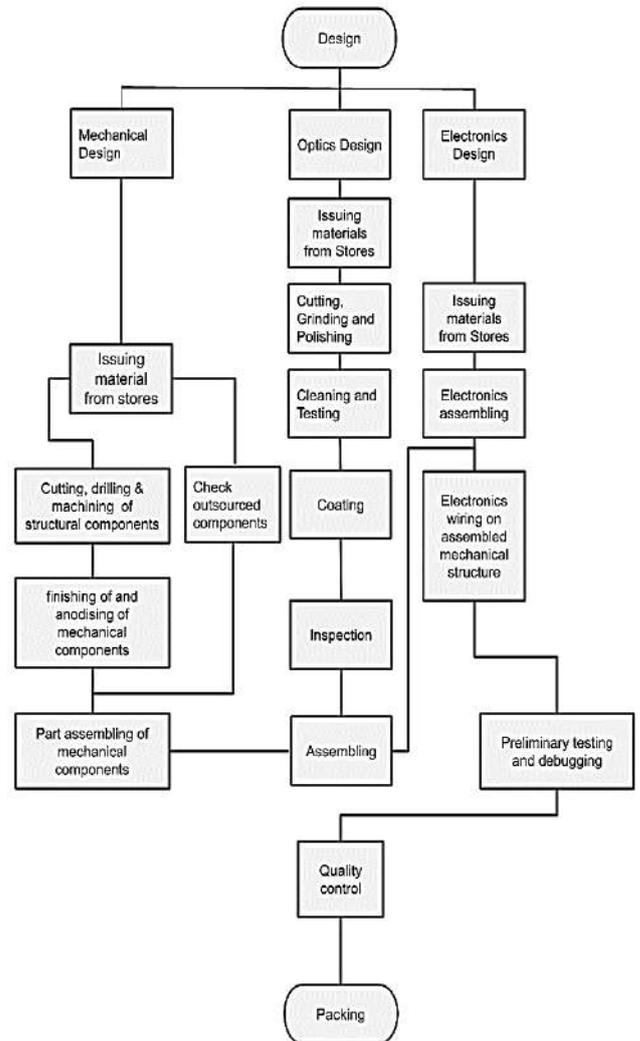
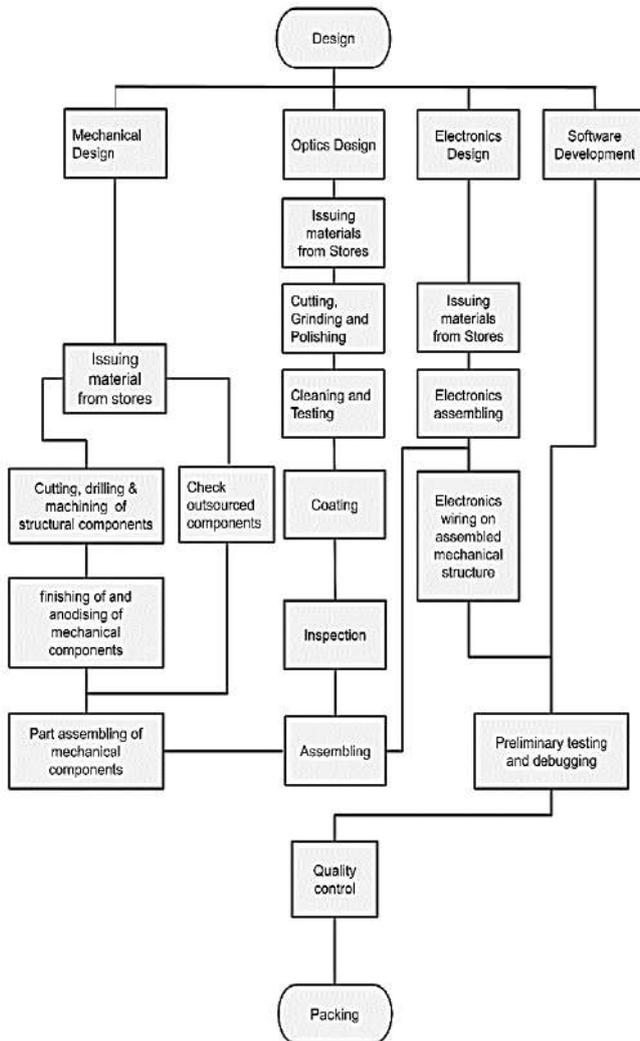
**Motorized Linear and Rotation Stages**



**Industrial Automation**



**PROCESS FLOW**

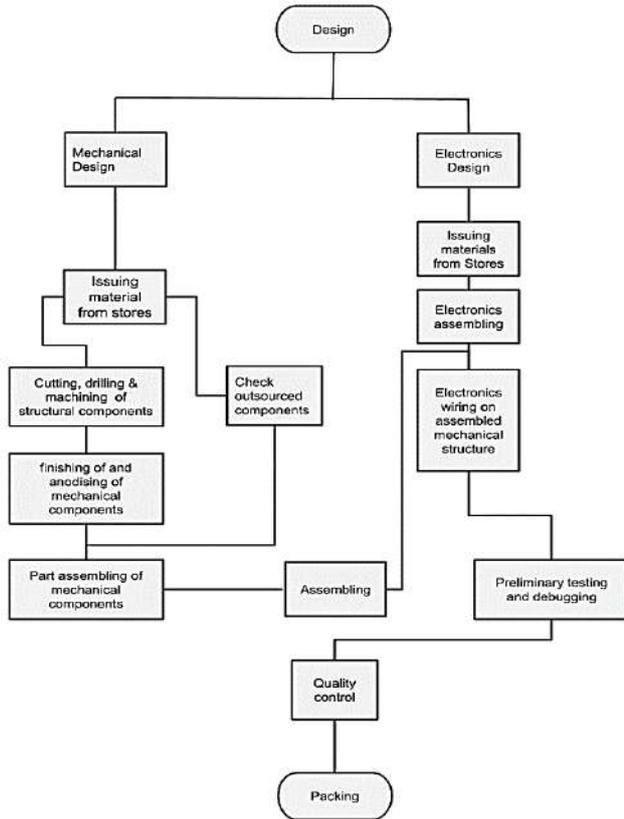


**Manufacturing Process Flow of:**

*Digital Holography Microscope, Confocal Fluorescence Correlation Spectrometer, Automated Inspection Microscope, Piezoelectric probe station, Digital measuring microscope, Digital travelling microscope, Digital autocollimator, Scattering photometer, Diffuse Reflectance Spectrophotometer, USB 2.0 CCD Spectrometer CG216 Series, UV-VIS-NIR Scanning Spectrometer, Spectra UV-VIS-NIR Standard Monochromator, Mini Monochromator, Confocal Laser Raman Spectrometer, CCD Spectrophotometer / Fluorometer Spectra Analyte Plus, Spectrophotometer, Double beam Spectrophotometer, Variable angle spectroscopic ellipsometer, Digital polarimeter, Contact Angle Meter with Dispenser to camera positioning unit, Motorized Substrate Holder, Near Normal Spectroscopic Reflectometer, Quantum Efficiency & IV Measurement System, Photodetector Characterization Setup, Hot plate, Interferometer, Mechanics, Electricity & Magnetism, Thin film characterisation, Automated Filling & Sealing station*

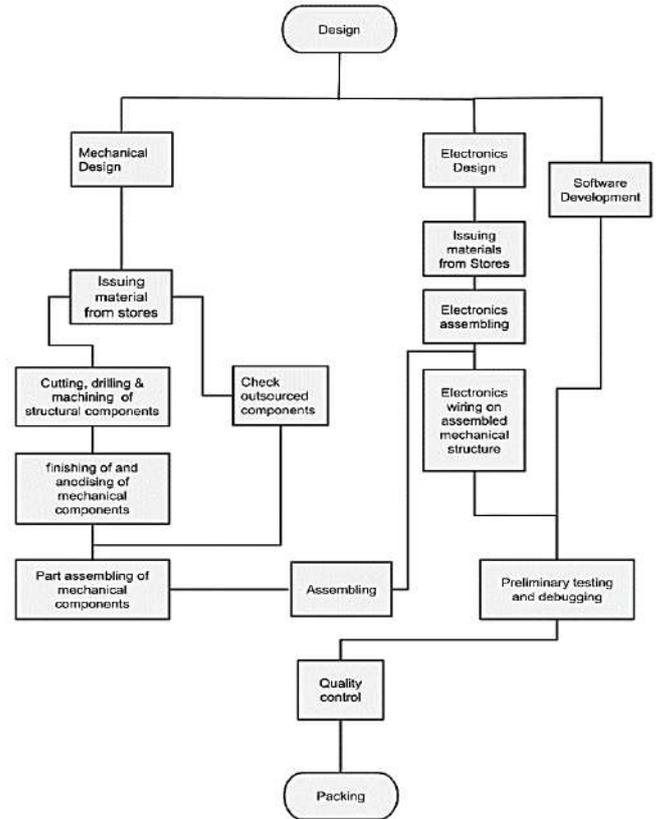
**Manufacturing Process Flow of:**

*2D transfer system, Telemicroscope, Measuring microscope, Tool makers microscope, Autocollimator, Spectrometer goniometer, Optical chopper, Contact angle meter, Solar simulator, Schlieren Imaging System, Polarisation, Fibre optics, Laser and optoelectronics, Diffraction, Holography, Astrophysics*



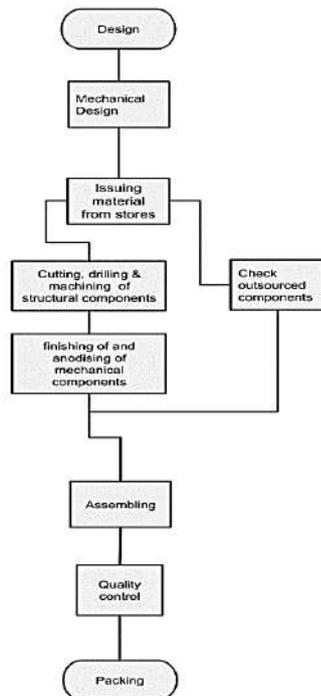
**Manufacturing Process Flow of:**

*UV ozone cleaner, SILAR coating system, SILAR Coating System with Magnetic Stirrer, Multiple Dip Coater, Pin coating unit, Bunch top rubbing machine, Vacuum oven, Labjack, Optical chopper*



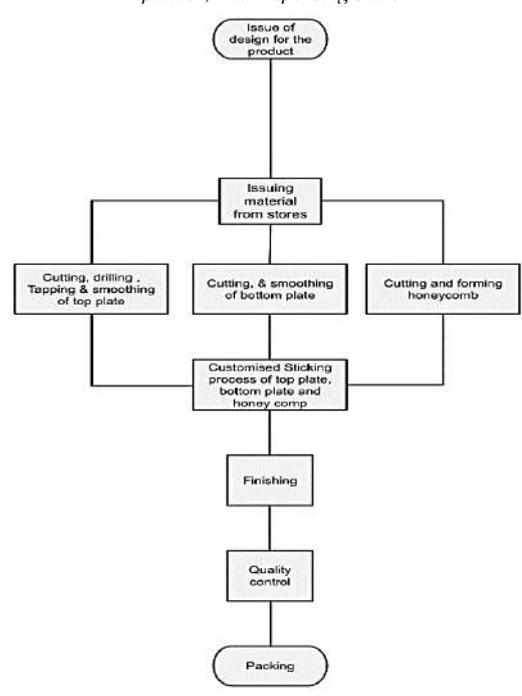
**Manufacturing Process Flow of:**

*Impedance Tube Apparatus, Nano fibre electrospinning unit, Dual pump nanofiber electrospinning unit, Nano Fibre Double Spinning & Yarning System, Spray Pyrolysis Equipment, Long travel dip coating, Electrochemical Discharge Machining System, Desktop dispensing system, Motorised linear stages, Motorised XY moving platform, Motorised Goniometers, Motorised Rotation stages, Antenna positioner, Automated XYZ traverse, Single channel dispensing station, Multi axis manipulator, Vial dispensing station*



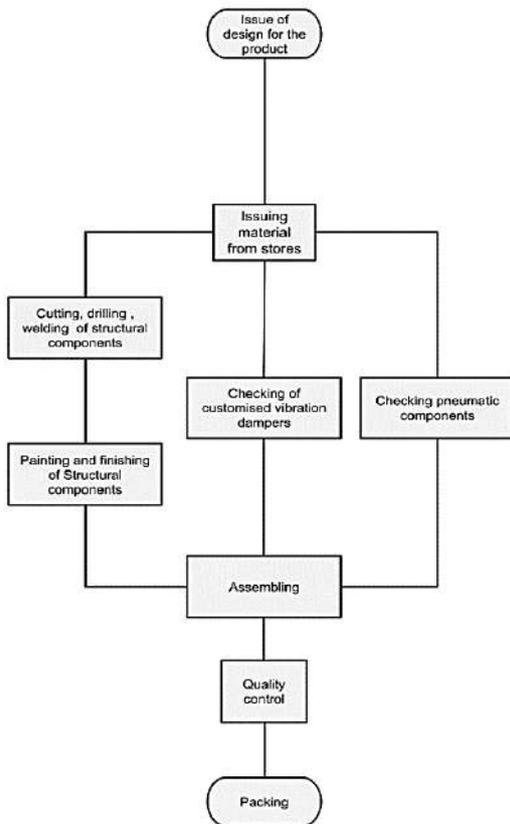
**Manufacturing Process Flow of:**

*Solid breadboard, Kinematic mirror mounts, Gimbal mirror mounts, Lens mount, Linear translation stages, Vertical translation stages, Goniometer, Rotation stages, Linear slide*

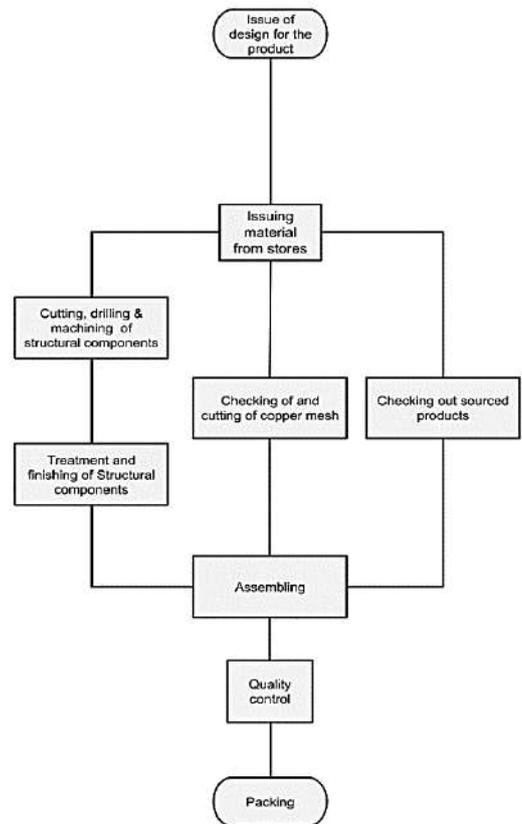


**Manufacturing Process Flow of:**

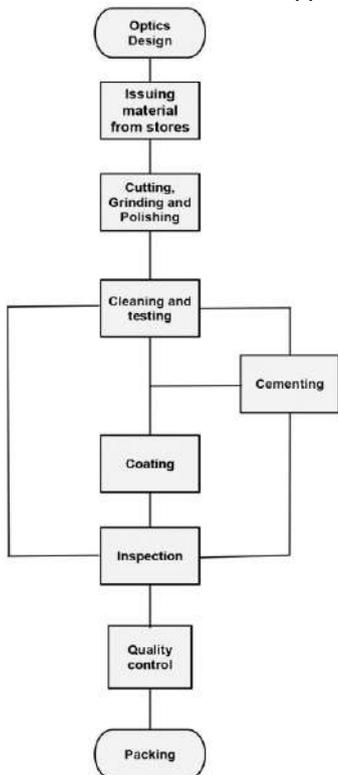
*Optical Breadboard*



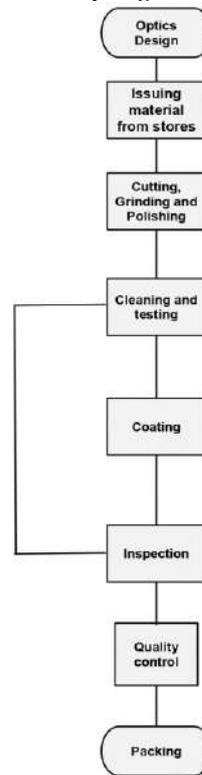
**Manufacturing Process Flow of:**  
*Passive vibration isolation support*



**Manufacturing Process Flow of:**  
*Faraday cage enclosure*



**Manufacturing Process Flow of:**  
*Lenses*



**Manufacturing Process Flow of:**  
*Prisms*

## MANUFACTURING PROCESS FLOW

The manufacturing process flows of different products of Holmarc Opto-Mechatronics Limited are shown below. Each flow chart depicts the process flow of a particular group of products which have similar manufacturing process. Each process is shown as multiple stages starting from the Design stage and ending in the Packing stage.

### Description of Process Stages

#### Design

Design for the product is prepared in the mechanical, electronics and optics design sections, considering all the requirements related to the specific product. The input to the design section are the requirements finalized in-house by the corresponding product-in-charge after analyzing the potential user requirements and the features of competing products in the market, if any.

#### Mechanical Design

The mechanical design section processes the input requirements supplied by the product-in-charge to arrive at a design which is capable of meeting those requirements. The finalized design is forwarded to cutting, drilling and machining section for manufacturing. This is provided in the form of CAD drawings and bill of materials.

#### Electronics Design

The electronics design section processes the input requirements supplied by the product-in-charge to arrive at a design which is capable of meeting those requirements. The finalized design is forwarded to electronics assembly section for manufacturing. This is provided in the form of bill of materials and wiring diagrams.

#### Optics Design

The optics design section processes the input requirements supplied by the product-in-charge to arrive at a design which is capable of meeting those requirements. Optical simulation software is used to design the components. The finalized design is forwarded to cutting, grinding and polishing section for manufacturing. This is provided in the form of bill of materials and CAD drawings.

#### Issuing Materials from Stores

The stores issue the materials required for the manufacturing of the product. This is based on the job card issued for that particular product and the design information received for the corresponding product from the design section. The Stores maintain a minimum stock always, purchasing each material whenever its stock drops below the warning level.

#### Outsourced Components

Some of the job works are outsourced, such as laser cutting, water cutting, wire cutting and Electric Discharge Machining (EDM). Parts which require these types of work are forwarded to suitable centers which provide these services. The quality of the parts returned from these centers is checked before proceeding to the next stage of manufacturing.

#### Cutting and Forming Honeycomb

The sheet for making the honeycomb structure of the bread board is cut and formed into the honeycomb shape. It is then forwarded for sticking process.

#### Cutting and Smoothing of Bottom Plate

The bottom plate of the optical bread board is cut to the required size and the surface is smoothed before proceeding to the sticking process.

#### Cutting, Drilling and Machining of Structural Components

This section gets the materials from the stores, and processes them according to the design information received from the mechanical design section for a particular product. The materials are cut, drilled and machined according to the drawings to convert them into the desired shapes and sizes. Cutting methods include sawing and shearing. Drilling includes center drilling, counter boring and countersinking using conventional and CNC drilling machines. Machining involves turning, milling and grinding using conventional and CNC machines.

#### Cutting, Drilling and Welding of Structural Components

The structure of the passive vibration isolation support is cut, drilled and welded to form the required shape and forwarded to painting.

**Cutting, Drilling, Tapping and Smoothing of Top Plate**

The top plate of the optical bread board is cut to the required size in this section. Then the required grid holes are drilled and tapped. Finally, the surface is smoothed before proceeding to the sticking process.

**Cutting, Grinding and Polishing**

This section gets the materials from the stores, and processes them according to the design information received from the optical design section for a particular product. The materials are cut to the necessary dimensions with the help of diamond cutting machines. Next, the sized raw materials will go through two grinding processes: rough and fine grinding. Lastly, using both manual and automatic polishing machines, all the components will be polished to obtain the desired optical quality. The polished components are then forwarded to the cleaning and testing section.

**Customized Sticking Process of Top Plate, Bottom Plate and Honeycomb**

The top plate, bottom plate and the honeycomb structure for the optical bread board are stuck together to form the final structure. It is then forwarded to the finishing section.

**Finishing and Anodizing**

Finishing section processes the machined parts received from the cutting, drilling and machining section to improve their surface quality and aesthetics. This involves surface cleaning, deburring, polishing, grinding, sand blasting and vibratory finishing. They are also passed through an electrochemical process called anodizing which creates an oxide layer on their surfaces. This oxide layer improves corrosion resistance, durability, and can be used as a base for coloring. Coloring is done as the last stage of the anodizing process. The anodized components are then forwarded to part assembling section.

**Checking of and Cutting of Copper Mesh**

The copper mesh for the Faraday cage is checked and cut to required size before assembling.

**Checking of Customized Vibration Dampers**

Vibration dampers issued from stores are checked for proper working before assembling.

**Checking Pneumatic Components**

Pneumatic components issued from stores are checked for proper working before assembling.

**Cleaning and Testing**

Here, the components will be cleaned and checked to ensure that they meet the standards when the polishing procedure is finished. They will be sent for cementing or thin film coating after testing. Some components which do not require cementing or coating are directly forwarded to the inspection section.

**Cementing**

Some components like the doublet or triplet components go through this process to cement them together using UV curing optical glue. They are then forwarded to the coating section. Some components which do not require coating are directly forwarded to the inspection section.

**Coating**

Based on the requirements, single or multilayer thin film will be applied with the help of high vacuum physical vapor deposition system. The coated components are then forwarded for inspection.

**Painting and Finishing of Structural Components**

The structure made for passive vibration isolation support is painted and finishing jobs done before assembling.

**Treatment and Finishing of Structural Components**

The structural components of the Faraday cage are provided with surface treatment and finishing before forwarding to assembling.

**Part Assembling of Mechanical Components**

Parts of the products are assembled here as sub-assemblies before the final assembly. This involves selection of components for a particular sub-assembly from the finished components received from the finishing section, their preparation, inspection and assembly sequence planning with the help of assembly drawings and instructions. The parts are then assembled using the required tools and the quality of the assembled parts is verified before forwarding them to the main assembly section.

### Assembling

The sub-assemblies are assembled together here to form the final structure of the product. Some electrical components like motors and sensors are also integrated to the mechanical parts. The optical components like mirrors, lenses, prisms and filters are also mounted to the final structure here. This final assembly is then forwarded to QC or to the electronics section for the wiring and preliminary testing.

### Electronics Assembling

The assembling section gets the materials from the stores, and processes them according to the design information received from the design section for a particular product. The electronics components are assembled in printed circuit boards (PCB) and multiple assembled PCBs are mounted inside the electronics control box and are wired together to form the electronics control part of the product.

### Electronics Wiring on Assembled Mechanical Structure

This is done by the electronics assembly section after they receive the complete opto-mechanical structure of the product. The electronics control part is mounted into the structure and the wiring is completed according to design.

### Inspection

The optical components will undergo final inspection here. The components are then forwarded to assembly for final assembling to the mechanical structure.

### Preliminary Testing and Debugging

This is also done by the electronics assembly section, after the product assembling is completed. The product is powered on and voltages at various points are checked. The basic function of each of the module of the product is checked before forwarding it to the quality control section.

### Quality Control

The quality control section receives the assembled product and performs detailed testing of its functioning. It ensures that the product meets its specifications and the quality is maintained in all aspects. If any shortcomings are found, they are solved by involving related sections and people. After the product is tested, it is forwarded to the packing section.

### Packing

The packing section packages the product in a dispatch friendly manner and makes it ready for the courier personnel to pick up. The preparation of packing list, labeling and weighing of the packages are also done by this section.

## MANUFACTURING FACILITIES

### Building and Floor Details:

We have two multi-storied buildings. One Three Storied and another Four Storied building with a total area of 29,984 sq.ft. approx.

Floor	Departments
<b>Three Storied Building (6,458 sq.ft.)</b>	
Ground Floor	Optics
First Floor	Optics
Second Floor	Assembly, Mechanical
Third Floor	Packing
<b>Four Storied Building (23,526 sq.ft.)</b>	
Ground Floor	Mechanical Tool Room - CNC Lathe, Drilling, Milling, Lathe, Drilling, Milling
First Floor	Administration, Optics, Optics R&D, Assembly Mechanical, Crèches
Second Floor	Finishing, Electronics Production
Third Floor	R&D-Physics & Electronics, Design, Physics Lab, Motion Control
Fourth Floor	Canteen, Rest Room

**Optics Manufacturing Facility**



Our company has established inhouse manufacturing facility for optical components like lenses, prisms, mirrors, beam splitters, ND filters, waveplates, etc required for building our standard Holmarc branded optical instruments.

Our optics facilities are staffed by well-trained, experienced technicians and engineers. Together, they combine years of experience with advanced machinery and tightly toleranced metrology to transform raw materials into finished optics. Lens production processes incorporate manual, automated machines and skilled craftsmen, providing a standard optics and the flexibility to create specialized optics tailored to a customer’s needs. We can create optics from Calcite, N-BK7, Fused Silica, F2, NSF1, Sf66, NSK-14, Sf11 etc. from Schott and Quartz crystal, H-K9L, F4, H-ZF3 etc. CDGM. Other materials are available on request. Optics up to 360mm diameter or 360mm square can be created in a diverse range of shapes and sizes. Our experienced technicians are able to regularly achieve a wavefront error of less than  $\lambda/10$  and surface roughness between 3 to 5 Å on all optical flats.

**Thin Film Coating Lab**



The Thin Film Coating Lab at Holmarc uses Vacuum coating chambers, Thin film reflectometer, Spectroscopic ellipsometer and spectrophotometers that aid in the creation of thin film optical coatings. A team of experienced engineers and technicians design, deposit, and measure thin film coatings ranging from our standard anti-reflective coatings to metallic mirror coatings.

Deposition techniques include resistive heat evaporation, electron beam evaporation with ion-assisted deposition, and ion beam sputtering. After deposition, coated optics go through another round of hand inspections and samples are optically profiled with Holmarc theta two theta advanced spectrophotometers. Transmission and reflectance data can be captured between 200 nm to 2.5  $\mu\text{m}$ . The measurements taken at this step is to ensure optical performance meets specifications.

**Mechanical Design and Fabrication Workshop**



This Division provides mechanical engineering support to all on-going project activities in terms of mechanical design, fabrication, quality control, integration / assembly and installation of various electronic components / systems. The division has qualified and experienced manpower and a mix of conventional and CNC machines tools for mechanical fabrication and CAD facilities. The division also has chemical and electro plating facility.

### ***Custom Engineering***



Custom Engineering design and manufacturing separates us from the competition. Many of the products that we offer today are designs that were developed to solve specific customer issues. We will customize our existing product to develop a modified standard or work with customer's team to develop a solution geared toward customer's specific needs. HOLMARC has an experienced engineering staff, with adequate experience, and is dedicated to solve the problems of customer, no matter the size or complexity.

### ***Electronic Design and Software Services***



Many modern electromechanical systems require custom control, power, and signal-conditioning electronics that cannot be purchased off-the-shelf. Holmarc provides custom electronic design services. With a wide range of scientific and technical knowledge, we have experience working on a diverse range of projects from small electronic control systems to large systems. We work with the customers about their need and helping them to develop and refine their requirements, and helping them to evaluate solution paths before starting on a prototype. We manufacture electronic or electromechanical products from start to finish, quickly and with total flexibility. Our staff is ready to assist customer in every step of the process from program management to quality manufacturing & testing.

### ***Designing***

Our product design team has extensive experience in the requirement planning process and we work closely with the customer. Coordination is crucial to a successful product design and a smooth transition into production. With our dedicated team to define and execute a design and assembly plan, customers have come to think of us as an extension of their own engineering organizations.

Our facility offers full product engineering, design, and manufacturing quick-turn capabilities, with specialized expertise in opto-mechanics and photonics systems. Our staff of highly qualified engineers has many years of experience with demanding commercial product delivery, as well as custom designed and OEM solutions.

### ***Service and Support***

We have full-fledged service department for ensuring prompt and timely service for all our products. As a policy, we make sure that all service queries and requests are promptly answered. Whether the product is standard or custom, whether it is in warranty or out of warranty, holmarc customers can remain assured of service at any point of time.

### ***Warranty and Terms***

All major Scientific Instruments and its accessories are warranted by Holmarc Opto-Mechatronics Ltd for a period of one year from the date of original purchase. Holmarc will repair or replace a product, or part thereof, found by Holmarc to be defective, provided the defective part is returned to Holmarc, with proof of purchase. This warranty applies to the original purchaser and is non-transferable.

## **OUR COMPETITIVE STRENGTH**

- ***Organizational stability along with management expertise:***

Our company has an established track record of 30+ years which indicates the company's ability to weather economic and business cycles. We are led by our Promoter Mr. Jolly Cyriac and Mr. Ishach Sainuddin who individually has over 3 decades of experience in the industry. This indicates our ability to maintain business viability and steer the business through operational hurdles. Our promoters are the guiding force behind the operational and financial decision of our company. Our promoters are responsible for the entire business operations of the company along with an experienced team of executives who assist them.

- ***Smooth flow of operations:***

We have maintained good relationship with our major customers. We are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

- ***Well-defined organizational structure:***

The company has a qualified and experienced management that has decision making powers. It is expected to benefit from the management's ability to ensure smooth flow of operations. Our Company is managed by a team of competent personnel having knowledge of core aspects of our Business. We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We believe that a motivated and empowered employee base is key to our competitive advantage. Our personnel policies are aimed towards recruiting talented employees and facilitating their integration into our organization and encouraging the development of their skills and expertise. We believe that our experience, knowledge and human resource will enable us to drive the business in a successful and profitable manner for decades to come. We are dedicated to the development of expertise and know-how of our employees and continue to invest in them through training and skills.

- ***Well Established Manufacturing Facility designed to serve multiple products range***

We are presently manufacturing a wide and diversified range of products i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Opto-mechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation and others. Over the years, we have built expertise and capabilities in multitudes of engineering and scientific disciplines right from conceptualization to manufacturing. Our capabilities range from mechanics, optics and embedded systems to thin film metrology, spectroscopy and microscopy both in design and manufacturing. For many of our products, in addition to design and development, we carry out manufacturing process development as well.

Our manufacturing facility situated at Building No. 11/490, B7, H.M.T. Industrial Estate, Kalamassery, Kanayanoor, Ernakulam – 683503, Kerala is equipped with latest machineries. Our manufacturing facility is spread over approx. 29,984 sq. ft area with adequate machineries, equipment and instruments to manufacture diverse products.

- ***Existing Supplier Relationship:***

Our Company manufactures variety of scientific and engineering instruments for research, industry and education and acquire raw materials from several suppliers and have enduring relationship with them for a long time. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our relationships with our suppliers, we get quality and timely supplies of raw materials. This enables us to manage our inventories and supply quality products on timely basis to our customers. This in turn has enabled us to generate repeat business.

- ***Quality assurance and accreditations***

Quality plays one of the most vital roles in the success of any organization. We are focused on providing high quality products and services. We constantly strive to improve our industrial processes at every step in the production chain. Our focus on quality is evidenced by the quality certifications and accreditations that our facility has obtained from various local and international accreditation agencies.

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 also have an in-house laboratory for conducting various tests for further improvements in our products. We aim to continue to supply qualitative products at competitive prices.

Our products benefit from the quality benchmarking certifications such as ISO 9001:2015 certifications certifying our quality management system for the product manufacturers by our Company. We believe that our certifications and industrial expertise favourably position us in servicing our client requirements across diverse product segments.

- ***Diversified Product portfolio***

Our Company manufactures wide and diversified range of products diversified range of products i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Opto-mechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation and others. Our Company manufactures products on the basis of needs and requirements as per our customer demand. We believe that we have necessary resources, experience and network to launch additional products. We also make sure that all our products are in working condition to the satisfaction of our customers throughout its life cycle irrespective of warranty period. For further details, regarding the relevant descriptions of the products we manufacture, please refer to “***Our Business – Our Products***” beginning on page no. 109 of this Prospectus.

## **OUR BUSINESS STRATEGY:**

- ***Focus on Increase in Volume of Sales:***

As a part of our growth strategy, our focus is on increasing sales volume through expansion, diversification and spread in geographical outreach. We believe that our growth in domestic market as well as international market can fetch us new business expansion and opportunities. We look to further strengthen our relationship with our existing customers and meet their requirements. Whilst we continue to cater to our existing customers, we are emphasizing a lot on establishing new relationship with prospective customers so that we can expand our customer base in other areas as well. We have full-fledged service department for ensuring prompt and timely service for all our products. As a policy, we make sure that all service queries and requests are answered promptly. Whether the product is standard or custom, whether it is in warranty or out of warranty, our customers can remain assured of service at any point of time.

- ***Reduction of operational costs and achieving efficiency:***

Apart from expanding business and revenues, we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. Our focus has been to reduce the operational costs to gain competitive edge. we routinely customize our products for specific applications. Our engineers are more than willing to work with users throughout the product development and manufacturing process.

- ***Improving operational efficiencies:***

Our Company focuses on improving operating efficiencies to achieve cost reductions to have a competitive edge. We continuously strive to increase operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency, higher productivity with minimum wastage. Economies of scale also plays an important role. We believe in strong in-house management to control the entire process. It controls costs by eliminating unnecessary intermediaries for procuring materials in cost efficient manner by optimizing logistics and by maximizing labour efficiency.

- ***Leverage and enhance our goodwill in the market:***

We believe that the Goodwill we have created in the market commands a recall amongst the consumers in the areas where we operate due to the image and goodwill established over the years. We intend to leverage this goodwill and increase our market base. We are in constant pursuit towards newer avenues for sustainable growth. Our Instruments and its accessories are warranted by our Company for a period of one year from the date of original purchase. Holmarc will repair or replace a product, or part thereof, found by Holmarc to be defective, provided the defective part is returned to Holmarc, with proof of purchase. This warranty applies to the original purchaser and is non-transferable.

- ***Leveraging our Market skills and Relationships:***

This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. Over and above the regular human reach, we will be adopting innovative method through social media, groups, public meetings, meetings, seminars to address our potential customer base.

## **RAW MATERIAL**

Our Major Raw Material i.e. Aluminium (Coil, Sheet, Bars & Rods, Pipes & Tubes, Extrusion, Plates etc.), Mild Steel (MS) Section, Station Steel Section are procured from domestic suppliers and Accessories i.e. Electrical, Electronics, Optical etc. are procured from Overseas Suppliers.

We enjoy a very good relationship with many of our raw material suppliers, which enables a timely manufacturing and delivery of components. We keep an array of suppliers with us, to ensure that there is no delay in manufacturing and delivery of the component to the customer due to the delay or failure to supply a critical raw material by any supplier. Presently, we have not entered into any long-term supply agreements for sourcing any of our raw materials, and we source our raw materials by entering into short-term supply agreements / purchase orders with our suppliers.

## **COLLABORATION/TIE-UPS/JOINT VENTURE DETAILS**

We have entered into technical collaborations/Tie-ups with some of the leading/premier institutes and universities for transfer of technology for manufacturing of certain specific instruments. Our Research and development team is continuously working for developing new unique products which will further strengthen our manufacturing capability and increase our product range and make us one of the preferred companies for scientific and engineering products.

Details of some of major Tie-ups are as mentioned below:

- In September 2011, executed Technical Tie-ups agreement with a premier Research Institution, wherein the said Institution will share its technical data and knowhow to Holmarc for manufacturing 'Fluorescence Correlation Spectroscopy Apparatus' developed by said Institution and sell the same in India and abroad.
- In November 2014, executed Technical Tie-ups agreement with a premier Government Research Institution, wherein the said Institution will share its technical data and knowhow to Holmarc for manufacturing 'Dual Polarisation Lidar' developed by said Institution and sell the same in India and abroad.
- In January 2023, executed License agreement with a premier Research Institution, for end market commercialisation of the products developed by said Institution such as 'Universal Measuring Machine' in the

initial phase, wherein the Institution will provide technology and right to manufacture and distribute Universal Measuring Machine in India.

- In April 2023, executed Technical Tie-ups agreement with a premier Institution of Post Graduate Teaching and Research University, wherein the said university will share its expertise and provide design inputs and technical assistance to Holmarc to develop, manufacture and sell 'Rubbing Machine' with better features.

## RESEARCH AND DEVELOPMENT

Our Research and Development department constantly interacts with leading research institutes in India for development and up gradation of our products. Some of our research products includes the following:

- **Digital In-line Holography microscope (Horizontal configuration)**

This system is developed for tracking the particles from nanometer to several microns in air and liquid and to determine their velocity in 3D. The software helps to create 3D video from a recorded 2D interference video.

- **Inverted Fluorescence Microscope (Research grade)**

This fully automated inverted fluorescence microscope is developed for laser scanning, diagnostic microbiology, microbial ecology, and multichannel fluorescence applications.

- **Triboelectric Measurement System**

Triboelectric measurement system is used to provide cyclical impact on a piezoelectric sample for its characterization. The frequency and the force can be set using the front panel LCD and buttons. The force inducer plate is made of electrically insulating material. It is used for characterization of piezo-electric properties of materials.

- **Quantum Efficiency and Spectral Response Measurement System**

Quantum Efficiency and Spectral Response Measurement System is used to characterize the sensitivity and efficiency of solar cells and photodiodes. We upgraded our existing system with capability to measure both External Quantum Efficiency (EQE) and Internal Quantum Efficient (IQE) of solar cells and photodiodes in infrared region of the solar light spectrum. The system is used for Characterization of solar cells and photodetectors.

- **Three Sun Solar Simulator (100mm Diameter)**

The main objective of solar simulation technology is to produce illumination approximating natural sunlight in order to provide a controllable indoor test facility under laboratory conditions. Solar simulators are used in a wide range of research areas including photobiology, photo-oxidation, photodegradation, photovoltaics, and photocatalysis.

- **Automated Spectrometer with Motorized slit**

This product is used for obtaining high resolution spectrograph for ADITYA-U Tokamakplasma spectral broadening measurements and studies. This triple grating spectrometer is designed for high-resolution spectroscopy, featuring a fully automated system with a dual output port, motorized slit, external triggering, and remote spectral capturing. It enables fast, automated, and continuous scanning over a broad spectral range.

- **Magnet Lab High Tesla Electromagnet**

This is a high magnetic field PC controlled electromagnet that can provide fields above 3.27 Tesla @ 5 mm field gap. It is designed to meet industrial, educational, and research needs of very high, uniform field strengths in a wide range of air gaps.

- **Magnetic Tweezers set-up**

The Magnetic Tweezer apparatus developed by HOLMARC is based on a simple inverted microscope, a set of strong NdFeB Permanent Magnet mounted on motorized translation and rotation stages and a PC computer which drives the motion of the magnets and performs video acquisition and bead tracking.

- **Laser Beam Induced Current (LBIC) Measurement System**

This system is designed for LBIC and photoluminescence mapping of Perovskite-based solar cells. It features a three-layer system that operates at 405nm, 532nm, and 655nm wavelengths, allowing for qualitative analysis of the solar cells.

- **Infrastructure up gradation- Automated Physical Vapor Deposition System.**

Our Company has made capital investments in machineries during the last quarter of 2021. The machineries included Automated Physical vapor deposition (PVD) systems in addition to three standard CNC machines. It was during the financial year 2022-23, we have completed many of the development process using the newly acquired PVD machine. We trained four qualified operators as well during the period. PVD systems are used for metallic and dielectric thin film coatings on glass substrates. The end products are mirrors, beam splitters, filters etc. The system is also used for creating anti-reflection coatings on lenses.

## OUR CUSTOMERS

The following is the breakup of the top five and top ten customers/suppliers of our Company for the Fiscal 2023, 2022 and 2021:

₹ in lakhs

Particulars*	March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	In %	Amount	In %	Amount	In %
<b>Customers</b>						
Top 5 Customers	344.28	11.86%	340.13	16.18%	307.05	19.77%
Top 10 Customers	554.53	19.09%	554.76	26.39%	462.15	29.76%
<b>Suppliers</b>						
Top 5 Suppliers	229.34	29.84%	166.12	28.97%	88.70	26.06%
Top 10 Suppliers	304.17	39.57%	221.27	38.59%	122.39	35.95%

\* Certified by Statutory Auditor vide Certificate dated August 03, 2023

We are supplying our products to diversified industries along with State Govt. Central Govt. and PSUs.

Details of Sector-wise sales are as follows:

₹ in lakhs

Sector	March 31, 2023	March 31, 2022	March 31, 2021
Government	1372.34	988.51	754.64
Private	970.39	745.61	489.19
Exports (Government/Private)	468.34	306.05	274.98
<b>Total</b>	<b>2,811.07</b>	<b>2,040.17</b>	<b>1,518.81</b>

\* Certified by Statutory Auditor vide Certificate dated August 03, 2023

## QUALITY ASSURANCE

We are an ISO 9001:2015 certified company which ensures quality management system for the product manufactured by our Company.

We place emphasis on quality control. We inspect the raw materials we receive, work-in-progress and final products. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production to inventory storage. Our manufacturing facility has personnel responsible for monitoring the parameters of equipment, technical parameters of materials, reporting any irregularities in the manufacturing process and making adjustments accordingly.

## SALES & MARKETING

Our company is having an Experienced & Customer Centric Business Development Team right from the Top Management till the on-field executive, whose main aim is to bring the business for the organisation in a right full way. The Company sells its products majorly to the states i.e. Maharashtra, Kerala, Tamil Nadu, Karnataka, West Bengal etc.

Details of state-wise sales are as follows:

(₹ in Lakhs)

State	March 31, 2023	March 31, 2022	March 31, 2021
Maharashtra	438.88	237.65	124.96
Kerala	306.06	156.26	151.97
Tamil Nadu	283.66	131.27	111.03
Karnataka	267.80	285.66	136.24
West Bengal	157.52	85.10	73.18
New Delhi	153.97	154.38	123.46
Telangana	136.70	230.23	71.03
Gujrat	113.50	47.67	20.30
Uttar Pradesh	84.00	43.58	42.13
Madhya Pradesh	61.77	62.62	128.98
Haryana	56.69	5.35	10.46
Odisha	53.17	21.46	11.65
Andhra Pradesh	42.51	47.77	81.78
Rajasthan	31.65	51.73	38.94
Punjab	29.84	17.37	3.87
Jammu & Kashmir	24.51	16.81	0.00
Assam	23.84	43.35	25.28
Uttarakhand	18.62	30.91	19.48
Goa	17.70	7.49	19.53
Jharkhand	9.55	8.26	4.55
Pondicherry	7.84	1.73	6.22
Bihar	6.37	0.93	0.00
Meghalaya	5.77	0.19	0.00
Himachal Pradesh	4.68	15.52	2.03
Sikkim	3.08	0.50	3.00
Chandigarh	2.78	28.58	16.45
Chhattisgarh	0.24	1.82	9.35
Dadra & Nagar Haveli	0.05	0.02	-
Mizoram	-	-	4.42
Tripura	-	-	3.54
<b>Total</b>	<b>2,342.73</b>	<b>1,734.12</b>	<b>1,243.83</b>

\* Certified by Statutory Auditor vide Certificate dated August 03, 2023

Details of Country-wise Sales are as follows:

(₹ in Lakhs)

Country	March 31, 2023	March 31, 2022	March 31, 2021
United States of America	90.70	71.58	96.16
United Kingdom	40.74	12.72	13.59
Canada	37.83	3.01	14.76
Russia	33.81	0.32	0.00
Saudi Arabia	30.26	23.07	4.81
Germany	26.82	9.16	22.87
United Arab Emirates	25.27	1.32	3.93
Morocco	24.84	0.00	2.62
Israel	20.99	16.04	0.80
Korea	18.02	23.59	8.24
Australia	15.96	1.11	3.04
Spain	13.81	-	5.26
Malaysia	13.57	6.41	3.75

Country	March 31, 2023	March 31, 2022	March 31, 2021
Belarus	10.38	-	-
Chile	9.20	-	-
Türkiye	8.92	-	1.06
France	7.40	6.83	3.94
Taiwan	5.45	5.46	-
Bangladesh	4.63	12.43	-
Romania	4.55	-	0.50
China	3.87	8.93	14.35
Vietnam	3.84	-	-
Serbia	2.40	-	4.84
Switzerland	2.23	5.41	1.19
Scotland	2.18	-	-
South Africa	2.07	4.89	-
Singapore	2.03	0.82	5.25
Italy	1.61	3.31	0.93
Bulgaria	1.54	-	4.99
Slovenia	0.90	-	-
Czech Republic	0.64	6.21	-
Slovakia	0.42	-	-
Indonesia	0.36	9.76	-
Hungary	0.33	2.85	2.90
Finland	0.24	-	15.34
Nepal	0.18	-	-
Poland	0.16	-	0.21
Netherlands	0.10	16.55	1.14
Iceland	0.07	-	-
Belgium	0.04	3.58	0.34
Algeria	-	-	15.14
Brazil	-	-	2.88
Egypt	-	-	3.81
England	-	6.17	-
Japan	-	1.61	-
Kazakhstan	-	5.96	-
Mexico	-	12.59	8.96
Nigeria	-	-	1.80
Peru	-	2.83	-
Philippines	-	0.77	-
Portugal	-	5.38	-
Sri Lanka	-	-	1.64
Sweden	-	0.13	3.95
Thailand	-	15.23	-
<b>Total</b>	<b>468.34</b>	<b>306.05</b>	<b>274.98</b>

\* Certified by Statutory Auditor vide Certificate dated August 03, 2023

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Domestic Sales	2,342.73	1,734.30	1,243.83
Export Sales	468.34	306.05	274.98
Freight and Packing	92.60	62.17	34.25
<b>Total</b>	<b>2,903.67</b>	<b>2,102.52</b>	<b>1,553.06</b>

The efficiency of the sales and marketing network is critical to success of our Company. Our success lies in the strength of our relationship with the clients who have been associated with our Company. Our team through their experience and good rapport with these clients owing to timely and quality delivery of services plays an instrumental role in creating and expanding a work platform for our Company. To get repeat orders from our customers, our team having adequate experience and competence, regularly interact with them and focus on gaining an insight into the additional needs of customers.

Early on in our journey, we recognized the importance of the online channel and building our digital capabilities. Company has an online products sales platform [www.e-holmarc.com](http://www.e-holmarc.com). Due to inadequate stock, online sales are negligible as of now. We are planning to gradually build up finished goods inventory of these components manufactured/value added at our factory. This will definitely help our company to increase sales turnover along with net profit. It will help our customers with quick delivery of components whenever required. With this online order and quick delivery, we expect to get a slice of huge world market for these products.

#### **PRODUCTS TO SCALE UP MANUFACTURING:**

Over the last three decades, we have developed and sold variety of products in the broad category of scientific equipment and instruments. We have gained vast experience in the design, manufacturing process and sales and service of engineering goods. Now, our goal is to scale up production and marketing of selected products for world market as well as growing Indian market. Products identified initially are detailed below:

*Edutech Instruments for World Markets:* Our company is supplier of sophisticated edutech instruments used for research as well as post graduate studies for almost all premium institutes in India including all IITs, NITs, Central Universities, Premium private universities and colleges. We plan to replicate the same for the world markets, now dominated by European companies. With our vast experience in India, we plan to scale up marketing of our products. To facilitate customer interaction, company is planning to establish a demonstration laboratory and sales hub in Dubai. With this initiative, we expect growth in our revenue from these markets in the coming years.

*Microscopes:* Our Company plans to scale up production of variety of microscopes for medical, bio-medical and industrial applications. At present, our company manufactures microscopes (fluorescence microscopes, hologram microscopes, auto-microscopes, etc.) against firm purchase orders. This creates undue delay in delivery of the products. Productivity and hence, profit margin gets squeezed due to just in time manufacturing methods in low volume. We plan to reverse this by resorting to optimum quantity manufacturing. We expect growth is sales of Microscope of our total sales in the coming years. We are aiming import substitute market from India as well in addition to export market.

*Optical Components and Modules:* Online sales of opto-mechanical, optical and opto-electronic components and systems for instrumentation is a proven business. There are a number of companies in the world market. As our components are significantly cost effective compared to competitors, we hope to generate growth in sales from this platform. We will be catering to world market.

*Analytical instruments for Industrial applications:* Our company manufactures various analytical instruments like spectrophotometers, polarimeters, refractometers, Raman spectrometers, etc. mainly for research institutions. There exists a vast market in industry throughout the world as well as India. We plan to upgrade our analytical instruments products line for industrial markets. We expect growth in sales of Analytical Instruments from this market.

#### **MARKET EXPANSION PLANS AND STRATEGY**

##### **Approach to Marketing Products in Overseas Market:**

As mentioned above, our products have market throughout the world. Our immediate plan is to scale up marketing activities for world market as detailed below.

*Expansion of market in European union and North America:* Our Company plans to increase sales from exports. European Union and USA are significant for this objective. We see very high potential market for our scientific equipment from these regions both in OEM as well as end user markets. As a first step, we plan to participate in related trade fairs in USA and European Union starting from 2024-25. In addition to interacting with end users, this will help to make alliances with agents and distributors in this field. In near future, we are planning to establish regional offices in USA and European Union.

*African Market for Edutech Equipments:* We foresee a large scope for our edutech products in Africa, as the continent is having largest young population in the world. Most of the African countries are gaining political and economic stability. In the process, they are allocating more and more resources for educating their young population. We are seeing this as a big marketing opportunity for our company. We are planning to establish a permanent demonstration laboratory in Dubai for Middle East and African market. We are planning to participate in relevant trade fairs in Dubai as well as in select African countries. In this way we hope to establish non-exclusive dealership network throughout Africa.

*Middle East Market for Scientific and Research Equipments:* Countries in Middle East are establishing more and more research centers. Our company is receiving orders from many of these countries through website and word of mouth. Establishing a demonstration laboratory will help our company to expand in this market especially for our scientific and analytical instruments and equipments. We do have many customers from Israel as of now. A marketing and demonstration centre in Dubai will help us to expand our presence in Israel as well.

*Market expansion in East Asia, China and Japan:* Our scientific equipments have potential markets in Indonesia, Japan, China, Malaysia, Philippines and Thailand. We are receiving orders from these countries through website and Google search. Though manufacturers from China are competitors for many of our products, when it comes to customized products or products which cannot be manufactured in quantities, we have advantages over Chinese manufacturers. During the financial year 2026-27, we plan to establish a demonstration laboratory and sales office in Singapore to cater to the needs of this region. During FY 2025-26, we plan to exhibit our products in a related trade fair in China. We hope distributors and agents from all over the world may attend trade fair in China for sourcing in addition to Chinese end users. We have sold our equipments to Chinese end users in the past and are confident of getting a slice of this market.

*Reaching to Markets in South America:* We are receiving orders from South American countries such as Brazil, Mexico, Peru, etc through our website. We have found South America a booming market for scientific instruments as well as edutech equipments. We found end users and distributors very receptive to our products. They greatly appreciate our prices and quality compared to products from USA and Europe. To expand into the market, we plan to take part in related trade fairs in any of these countries during FY 2025-26 mainly to identify distributors and to study end user responses. Later, as the sales from the region increases, we plan to establish regional office either in Mexico or Brazil for the South American region.

#### **Approach to marketing of products in India:**

We sell our products majorly in India. Make in India campaign is helping us very much for expanding our market share in India. In addition to our ongoing marketing activities, we plan the below detailed steps to scale up marketing in India.

*Sales and Demonstration Centres in Mumbai, Delhi, Calcutta and Bangalore:* We are planning to establish a testing and demonstration laboratory in Mumbai along with regional sales and service office in the current financial year 2023-2024. We will be establishing demonstration laboratories along with sales and service offices in Delhi, Calcutta and Bangalore as well in coming years.

*Entry into Indian Defence Sector:* Our company has a nominal presence in defence sector as of now. We have plans to expand this presence as Indian defence sector is getting opened up for private companies. To start with, we will be exhibiting our engineering and R&D capabilities in the coming defence expos. We hope to become a major player in supplying optics related products to defence sector.

*Medical and Bio-medical market for microscopes:* Medical microscope market in India is dominated by Japanese and German brands. Our company plans to penetrate into this market with our fully Indian made microscopes with comparable quality and lower price and better service. With the help of “Make in India” campaign, we hope we will be able to grab a good share of this market.

*Establishing distributor network throughout India:* We sell our products directly to our customers. To ramp up our sales, we plan to establish distributor network throughout India.

In addition to the above, company plans to intensify our ongoing marketing activities like dynamic product website, printed brochure distribution, participation in trade fairs and conferences, personal sales and service visits, search engines advertisements, online advertisements, etc. to scale up our business in India. With all these focused efforts, we hope to attain a good growth in sales in domestic market as well as International Market.

Make in India is an initiative by the Government of India to create and encourage companies to develop, manufacture and assemble products made in India and incentivize dedicated investments into manufacturing. As per Government of India order no: P-45021/2/2017-PP(BE-II)(Public Procurement (Preference to Make in India) order 2017, All Government institution has to procure their requirements through public procurement portal namely GeM and also through Central Public Procurement Portal. As per the Government order, vendor participating in the tender through these public procurement portals has to mention the Local content of the item quoted. Our Company Holmarc Opto-Mechatronics Limited comes under Class-I Local Supplier, hence we have advantage of winning tenders.

## COMPETITION

India's scientific and research equipment manufacturing industry has grown significantly in recent years, driven by the country's expanding scientific community and increasing investment in research and development. Indian manufacturers offer a wide range of products, including instruments, devices, and consumables used in various scientific fields, such as biology, chemistry, and physics. These companies cater to customers, including research institutions, universities, and industrial laboratories. From sophisticated and modern equipment to essential supplies, Indian manufacturers produce everything needed to ensure accurate and reliable laboratory results.

Favourable government policies, such as tax incentives and grants for research and development, have supported the growth of the scientific and research equipment manufacturing industry in India. This has attracted several foreign players to the Indian market, leading to increased competition and innovation in the industry. As a result, Indian manufacturers now offer high-quality products at competitive prices, making them an attractive option for laboratories worldwide.

Overall, India's scientific and research equipment manufacturing industry is an important contributor to the country's economy and scientific advancement. It is vital in supporting the scientific community and enabling research and development in various fields.

We at HOLMARC believes the principal elements of competition in our industry are price, durability, product quality, timely delivery and reliability and most importantly our pace in keeping up with the changing technology in the industry. To stay competitive, we regularly update our existing facilities/technology and adopt new technology for our manufacturing facilities. We aim to keep our costs of production low to maintain our competitive advantage and our profit margins. We continuously seek new product manufacturing, marketing initiatives to increase our product offerings.

Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

## HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business and hence we have a structured organization plan to take care of the growth and motivation aspects of our team. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

The total strength of manpower as on date of this prospectus is 304 employees. Category wise details are as under:

Department/Designation	No of Employees
Managing Director	01
Whole-time Director	08
Chief Financial Officer	01
Company Secretary	01
Administration	03
Amenities	13
Assembly	16
Breadboard	18
CNC-Lathe	12
CNC-Milling	19
Drilling	18
Electronics	32
Electrical Maintenance	02
Electronics (R & D)	05
Fabrication	12
Finishing	22
Grinding	08
Lathe	12
Motion Control and Automation	04

Department/Designation	No of Employees
Mechanical Design	12
Milling	15
Material Supply	02
Operation Coordination	01
Optics and Optics R & D	37
Purchase	10
Physics	04
Sales	11
Software	05
<b>TOTAL</b>	<b>304</b>

### INSURANCE POLICIES

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured (₹ in lakhs)
760710462201 00000159	Burglary (Single Location) Insurance	From: 03/02/2023 To: 02/02/2024	Electron Beam Evaporation System & Spares, RX 20 Controller, ST-410-1000	The New India Assurance Co. Ltd.	₹ 165.09 lakhs
760710112280 00000050	Sookshma Udyam Suraksha Policy	From: 03/02/2023 To: 02/02/2024	<u>Electronics Goods Manufacturing/Assembly</u> Building and Plant & Machinery	The New India Assurance Co. Ltd.	₹ 165.09 lakhs
760710112243 00000010	Laghu Udyam Suraksha Policy	From: 18/02/2023 To: 17/02/2024	<u>Engineering Workshop – Steel Plants/Integrated Steel Plants, Hot/Cold Rolling Plant &amp; Machinery and Finished Stocks</u>	The New India Assurance Co. Ltd.	₹ 631.30 lakhs
HDA78526	Private Car Package Policy	From: 27/04/2023 To: 26/04/2024	Honda City Reg. No. KL-07-CS-0579	Future Generali India Insurance Company Ltd.	₹ 8.40 lakhs
HDA67064	Private Car Package Policy	From: 10/03/2023 To: 09/03/2024	Honda City Reg. No. KL-07-BH-4798	Future Generali India Insurance Company Ltd.	₹ 2.25 lakhs
HDA67057	Private Car Package Policy	From: 10/03/2023 To: 09/03/2024	Honda City Reg. No. KL-07-BH-4791	Future Generali India Insurance Company Ltd.	₹ 2.25 lakhs
76070731222 000017581	Standalone Motor Own Damage Policy for Private Car	From: 12/02/2023 To: 11/02/2024	Innova Crysta Reg. No. KL-07-CV-6745	The New India Assurance Co. Ltd.	₹ 15.50 lakhs
98000031220 112846231	Private Car Package Policy	From: 05/03/2023 To: 04/03/2024	Maruti Alto Reg. No. KL-07-CF-7148	The New India Assurance Co. Ltd.	₹ 1.69 lakhs
231120461011 4501000	Private Car Package Policy	From: 09/05/2023 To: 08/05/2024	Maruti 800 Reg. No. KL-07-BC-0412	HDFC ERGO General Insurance Company Limited	₹ 0.42 lakhs

### PLANT AND MACHINERY

Name of Plant & Machinery*	Quantity <sup>#</sup>
CNC Machine (Lathe)	4
CNC Machine	3
Conventional CNC	1
CNC Milling	4
CNC Drilling	1
Conventional Lathe	15
Capstan Lathe	2

Name of Plant & Machinery*	Quantity#
Milling Machine	2
Horizontal Milling	1
Vertical Milling	7
Conventional Milling	2
Surface Grinding	5
Cylindrical Grinding	2
Pedestal Grinding	5
Bench Grinding	1
Tool Grinding	1
Drilling Machine	11
XY Positioner	1
Tapping Machine	2
Compressor	8
Hydro Pneumatic Press	2
Trimmer Machine	1
Bending Machine	3
Welding Set	6
Electric Welding Set	1
Tig Welding Set	1
Laser Printing Machine	2
He-Ca Laser	1
Cutting Machine	2
Etching Machine	1
Electro Plating Machine	1
Weighing Machine	2
Innovative Packing Machine	1
Micro Position Controller	1
Spectrophotometer	1
Humidifier	1
Roughing Machine	1
Glass Cutting Machine	1
UV Ozone Cleaner	1
Lens Centering System	1
Trepanning Machine	1
Anodising Cooler	1
Hot Air Oven	1
Heavy Soldering Machine	1
Power Supply	1
Coating Machine	4
Tripanning Machine	1
Automatic Polishing Machine	7
Manuel Polishing Machine	4
Polishing Machine	8
Computer (PC)	81
Laptop	9
Printer	13
Generator	3
UPS	4
Hand Grinding	6
Pencil Grinding	1
Grinding Machine	1
Grinder	2
Hand Grilling	12
Tapping Drill	1
Jig Saw	1
Band Saw	2
Chop Saw	1

Name of Plant & Machinery*	Quantity#
Sander Machine	4
Buffing Machine	1
Blower	3
Humidifier	2
Vacuum Machine	1
Soldering Machine	8
Soldering Iron	34
Vibration Machine	2
Fork Lift	4

\* Certified by Statutory Auditor vide Certificate dated August 03, 2023

# The above Plant & Machinery are owned by our Company

## INFRASTRUCTURE FACILITIES AND UTILITIES

**Registered Office and Manufacturing Unit:** Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India

**Godown:** Building No. 11/673, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India

### Power

Our Registered Office, Manufacturing Facility and Godown have adequate power supply from Kerala State Electricity Board Limited.

### Water

Water is mainly required for cutting purpose in production process, fire safety, drinking and sanitation purpose. We procure Water from Kerala Water Authority, Water Supply Subdivision, Kerala.

## PRODUCTION CAPACITY AND CAPACITY UTILIZATION

Our capacity depends on our workforce / orders in hand and not in any fixed output from plant & machinery and hence capacity and capacity utilization cannot be determined.

## PROPERTY DETAILS

Details of the Deed/ Agreement	Particulars of the property, description and area	Lease Premium/ Rent (₹ in Lakhs)	Tenure of Lease	Usage
Government Order dated October 07, 2006 issued by Revenue Department, Government of Kerala	Land measuring about 10.0625 cents (4.025 are) with Shed No. B7 comprised in Sy. No. 1037/10 (Resy No. 121/2, Block 6) situated at HMT Industrial Estate, Village – Thrikkakara North, Taluk – Knayannur, District – Ernakulam, Kerala	₹ 8.00 lakhs	Perpetual	Registered Office and Manufacturing Unit
Articles of Agreement dated December 28, 2007 between The Governor of Kerala (“The Government”) and M/s. Holmarc Slides and Controls Private Limited (“Hirer”)	Land measuring about 13 cents (5.26 are) comprised in Survey No. 121/2 situated at HMT Industrial Estate, Village – Thrikkakara North, Taluk – Knayannur, District – Ernakulam, Kerala	₹ 0.31 lakhs	Perpetual	Registered Office and Manufacturing Unit
Articles of Agreement dated January 20, 2011 between The Governor of Kerala (“The Government”) and M/s. Holmarc Slides and Controls Private	Land measuring about 7 cents (2.835 are) situated at HMT Industrial Estate, Village – Thrikkakara North, Taluk – Knayannur, District – Ernakulam,	₹ 0.17 lakhs	Perpetual	Registered Office and Manufacturing Unit

Details of the Deed/ Agreement	Particulars of the property, description and area	Lease Premium/ Rent (₹ in Lakhs)	Tenure of Lease	Usage
Limited (“Hirer”)	Kerala			
Deed of License dated January 05, 2023 between Kerala State Small Industries Association (“Licensor”) and M/s. Holmarc Opto-Mechatronics Limited (“Licensee”)	Ground Floor Room admeasuring 5222.5 sq.ft. situated in Building No. 11/673, HMT Industrial Estate, Kalamassery, Ernakulam, Kerala	Rent: ₹ 1.15 lakhs	11 months commencing from January 05, 2023	Godown

#### INTELLECTUAL PROPERTIES

Trademark	Registration No/ Application No	Class of Registration	Trademark Type	Date of Issue/ Application	Valid Upto
	5260726	99	Device	December 24, 2021	December 24, 2031
CRAMLOH	5424680	9	Word	April 26, 2022	April 26, 2032

#### EXPORT AND EXPORT OBLIGATIONS:

As on date of this Prospectus, our Company does not have any export obligations.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*

*In addition to what has been specified in this prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “**Government and Other Approvals**” beginning on page no 236 of this prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

### **APPROVALS**

*For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Approvals**” beginning on page number 236 of this prospectus.*

### **APPLICABLE LAWS AND REGULATIONS**

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

#### **Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 (“Compulsory Registration Order”)**

The Compulsory Registration Order mandates that the manufacturing, storage, import, sale or distribution of goods which do not meet the specified standard and/or bear a self-declaration confirming conformance to relevant Indian Standard is prohibited. The only exception is for those goods which are manufactured for export. Further, any sub-standard or defective goods must be deformed beyond use by the manufacturer and disposed of as scrap. The Compulsory Registration Order is issued by the Department of Electronics and Information Technology, Ministry of Communication and Information Technology, Government of India (“DEIT”). The DEIT vide notification no. S.O. 2905(E) dated November 7, 2014 amended the Compulsory Registration Order to include self-ballasted LED Lamps for general lighting services and fixed general-purpose luminaires, as well as issued mandatory directions to the manufacturers of LED lamps/general lighting services to obtain BIS registration.

#### **The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder**

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer

system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The Information Technology (Amendment) Act, 2008, which amends the IT Act, facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”) in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines) Rules, 2011 (“**IT Intermediary Rules**”) in respect of Section 79(2) of IT Act, requiring intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

The DoIT has recently notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“**IT Intermediary Rules**”) requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediary Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediaries Rules further requires the intermediaries to provide for a grievance redressal mechanism and appoint a nodal officer and a resident grievance officer.

### **The Bureau of Indian Standards Act, 2016**

The Bureau of Indian Standards Act, 2016 (“BIS Act”) provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

### **Bureau of Indian Standards Rules, 2018 (the “Bureau of Indian Standards Rules”)**

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

### **Steel and Steel Products (Quality Control) Order, 2020 (the “Quality Control Order 2020”)**

The Steel and Steel Products (Quality Control) Order, 2020, as, was notified by the Ministry of Steel, Government of India, to bring specified steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020.

### **Legal Metrology Act, 2009 (the “Metrology Act”)**

The Legal Metrology Act, 2009, as amended was enacted with the objective to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Metrology Act states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (the “Act”)**

It consists of six chapters which are further divided into 32 sections. This Act also provides for the formation of the National Board of Micro, Small and Medium Enterprises. The head office of the Board is in Delhi. Section 3 of the Act defines the members of the board. The Central Government, by notification, can constitute an advisory committee. Registration of micro, small and medium enterprises is replaced with the filling of the memorandum. To avail the benefit of the Act, it is always recommended to register the enterprises as a micro, small or medium enterprise. The concept is important for the promotion of industrial development in rural areas, use of traditional or inherited skills, use of local resources and mobilization of resources and exportability of products. It provides maximum opportunities for employment outside the agriculture sector as well.

## **ENVIRONMENT RELATED LAWS**

### **Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

### **The Environmental Impact Assessment Notification, 2006 (the “Notification”)**

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central Government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central Government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme ‘Housing for All by 2022’ and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant byelaws of the concerned State authorities.

### **The Water (Prevention and Control of pollution) Act, 1974 (the “Water Act”)**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

### **The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

### **The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### **The Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)**

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

## **GENERAL CORPORATE COMPLIANCE**

### **Companies Act, 2013 (the “Companies Act”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, the procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Registration Act, 1908 (the “Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Shops and commercial establishments legislations**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

## **EMPLOYMENT AND LABOUR LAWS**

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

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965 (the “PoB Act”)**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

### **Occupational Safety, Health and Working Conditions Code, 2020**

The Government of India enacted ‘The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 laws that it shall subsume are as follows –

- **The Factories Act, 1948**

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

### **Industrial Relations Code, 2020**

The Government of India enacted ‘The Industrial Relations Code, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows –

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial employment. The highlights of the Standing Orders such as classification of workmen, manner of intimation to workers about work and wage related details. Attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

### **Code on Social Security, 2020**

The Government of India enacted ‘The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 and the Payment of Gratuity Act, 1972. The laws that the code shall subsume, are currently as follows –

- **Employee's Compensation Act, 1923**

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employees' Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees' Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death/serious bodily injury.

- **Employee's State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

- **Employee's Provident Fund and Miscellaneous Provisions Act, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### **Employees' Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **The Employees' Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")**

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

### **Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")**

The "CLPR Act seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

## **TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961 (the "IT Act")**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **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 desirous of importing or exporting any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

### **Central Goods and Services Tax Act, 2017 (the "GST Act")**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

### **INTELLECTUAL PROPERTY LEGISLATIONS**

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- The Designs Act, 2000
- The Patent Act, 1970

The Acts applicable to our Company will be:

#### **Trade Marks Act, 1999 (the "TM Act")**

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **ANTI-TRUST LAWS**

#### **Competition Act, 2002 (the "Act")**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

### **OTHER LAWS:**

#### **Foreign Exchange Management Act, 1999 ("FEMA")**

FEMA was enacted by the Government of India to replace the erstwhile Foreign Exchange Regulation Act, 1973 ("FERA"). The Act was aimed at consolidating and amending the law relating to foreign exchange with the objective of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA has removed restrictions on trade in goods and services to and from India, except for the enabling provision for the Central Government to impose reasonable restrictions in the interest of public when required.

### **Foreign Trade (Development and Regulation) Act, 1992 (the “Act”)**

The Act regulates and governs the foreign policy of India in relation to trade of goods and services. The Act was enacted in the year 1992 as a replacement of the Import and Exports (Control) Act, 1947. The objective of the Act was to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. Through the Foreign Trade (Development and Regulation) Amendment Act of 2010, "services" was also included in the ambit of import and export of trade in the purview of the Act.

### **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 of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), 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 issued by the DIPP 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 DIPP issues an updated circular. The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

## OUR HISTORY AND CERTAIN CORPORATE MATTERS

### HISTORY AND BACKGROUND

Our Company was originally incorporated as Private Limited Company in the name of “*Holmarc Slides and Controls Private Limited*” on February 11, 1993 under the provision of the Companies Act, 1956 bearing Registration No. 09-06984 issued by Registrar of Companies, Kerala. Subsequently, the name of our Company was changed to “*Holmarc Opto-Mechatronics Private Limited*” vide a fresh Certificate of Incorporation consequent upon Change of Name dated May 01, 2007 bearing Corporate Identification Number U33125KL1993PTC006984 issued by Registrar of Companies, Kerala and Lakshadweep. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “*Holmarc Opto-Mechatronics Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 11, 2021 bearing Corporate Identification Number U33125KL1993PLC006984 issued by Registrar of Companies – Ernakulam.

Our Company is incorporated in the year 1993 in the name of “Holmarc Slides and Controls Private Limited” by our promoter Mr. Jolly Cyriac after completing Master of Science by Research (Entrepreneurship) from Indian Institute of Technology, Madras along with his B-Tech classmate Mr. Ishach Sainuddin.

Holmarc Opto-Mechatronics Limited manufactures variety of scientific and engineering instruments for research, industry and education i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Optomechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation etc. Holmarc also gives maintenance and modification support for all our products as long as our customer needs it irrespective of warranty or year of purchase.

Holmarc, from its very beginning in 1993 has maintained cordial and professional relationship with all major research institutes in India, be it Atomic Energy Institutions, Space Research Center, DRDO, IIT's, IISc's, NIT's, DST Institutes, CSIR Centers and University Centers. Over the years, we have built expertise and capabilities in multitudes of engineering and scientific disciplines right from conceptualization to manufacturing.

For more than three decades, our Company has demonstrated an unwavering commitment to performance along with integrity. In the span of years, our Company has expanded into new products and new regions building a colossal record of sustained growth. As nearly 304 employees are working in the Company, Our Company has given highest priority to them. Having been quality driven organization, the Company believes in maintaining the right environment for their employees resulting in high quality products.

Mr. Jolly Cyriac and Mr. Ishach Sainuddin are the Original Promoters and initial subscribers to the Memorandum of Association of our Company. For further details of our promoters, please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 180 of this Prospectus.

### ADDRESS OF THE REGISTERED OFFICE AND MANUFACTURING UNIT

<b>Registered Office and Manufacturing Unit</b>	Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India
<b>Godown</b>	Building No. 11/673, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India

### CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Prospectus.

Date	Details of Registered Office	Reason for Change
<i>At Incorporation</i>	<i>37/3063, Bank Lane, Kaloor, Ernakulam – 682017, Kerala, India</i>	----
<i>April 14, 2007</i>	<i>Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam – 683503, Kerala, India</i>	<i>For Business Convenience</i>

## 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 the business of manufacture, selling, buying, trading, designing or otherwise dealing in Optics and Optical devices, Opto-Mechanical devices, Opto-Electronics devices, Opto-Mechatronics devices, Mechanical devices and Machines, Electrical devices like motors, Electronics devices like motor drives and controls, Measuring instruments, Analytical instruments, Special purpose machineries, Vending machines, Fruit juice machines and other Light Engineering goods, Coir Spinning and Related Machines, 3D Printing Machines for Construction, drones and accessories.*

The main objects clause as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION OF OUR COMPANY

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

<b>Date of Amendment / Shareholders' resolution</b>	<b>Nature of Amendment</b>
July 25, 2000	<ul style="list-style-type: none"> <li>Alteration in the Clause 5 of MoA pursuant to increase in Authorised Share Capital from ₹ 5,00,000/- divided into 50,000 Equity Shares of ₹ 10/- each to ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹ 10/- each</li> </ul>
March 06, 2006	<ul style="list-style-type: none"> <li>Alteration in the Clause 5 of MoA pursuant to increase in Authorised Share Capital from ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹ 10/- each to ₹ 20,00,000/- divided into 2,00,000 Equity Shares of ₹ 10/- each</li> </ul>
April 12, 2007	<ul style="list-style-type: none"> <li>Clause I of Memorandum of Association and Articles of Association was amended to reflect change in name from "Holmarc Slides and Controls Private Limited" to "Holmarc Opto-Mechatronics Private Limited" pursuant to change of name of Company.</li> <li>Alteration in Main Object of clause III [A] of the MOA  "To carry on the business of manufacture, selling, buying, trading, designing or otherwise dealing in Opto-Mechatronics devices (devices which combines optics, mechanics and electronics) like precision controlled optic mounts and translation stages, vibration controlled optical breadboard systems, diode laser assemblies, CCD based spectrometers, CCD based auto-collimators, laser spatial filters, beam steering devices, automated monochromators and spectro-photometers."</li> </ul>
January 03, 2020	<ul style="list-style-type: none"> <li>Alteration in Articles of Association by addition of new Article 34</li> </ul>
August 17, 2021	<ul style="list-style-type: none"> <li>Adoption of new set of Articles of Association of the Company</li> <li>Clause I of Memorandum of Association and Articles of Association was amended to reflect change in name from "Holmarc Opto-Mechatronics Private Limited" to "Holmarc Opto-Mechatronics Limited" pursuant to conversion of our Company from Private Limited to Public Limited Company.</li> <li>Alteration in Main Object of clause III [A] of the MOA  "To carry on the business of manufacture, selling, buying, trading, designing or otherwise dealing in Opto-Mechatronics devices (devices which combines optics, mechanics and electronics) like precision controlled optic mounts and translation stages, vibration controlled optical breadboard systems, diode laser assemblies, CCD</li> </ul>

Date of Amendment / Shareholders' resolution	Nature of Amendment
	<i>based spectrometers, CCD based auto-collimators, laser spatial filters, beam steering devices, Microscopes, Spectrometers, Servo motors, Stepper motors, controllers, drives, other electric motors, automated monochromator and spectro-photometer."</i>
March 25, 2022	<ul style="list-style-type: none"> <li>Alteration in Main Object of clause III [A] of the MOA   <i>"To carry on the business of manufacture, selling, buying, trading, designing or otherwise dealing in Optics and Optical devices, Opto-Mechanical devices, Opto-Electronics devices, Opto-Mechatronics devices, Mechanical devices and Machines, Electrical devices like motors, Electronics devices like motor drives and controls, Measuring instruments, Analytical instruments, Special purpose machineries, Vending machines, Fruit juice machines and other Light Engineering goods, Coir Spinning and Related Machines, 3D Printing Machines for Construction, drones and accessories."</i></li> </ul>
September 26, 2022	<ul style="list-style-type: none"> <li>Alteration in the Clause 5 of MoA pursuant to increase in Authorised Share Capital from ₹ 20,00,000/- divided into 2,00,000 Equity Shares of ₹ 10/- each to ₹ 12,00,00,000/- divided into 1,20,00,000 Equity Shares of ₹ 10/- each</li> </ul>
May 30, 2023	<ul style="list-style-type: none"> <li>Adoption of new set of Articles of Association of the Company</li> </ul>

## CORPORATE PROFILE OF OUR COMPANY

Details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, distributors and customers, segment, capacity/facility creation, launch of key products, entry in new geographies, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled **"Our Business"**, **"Our Management"** and **"Management's Discussion and Analysis of Financial Position and Results of Operations"** on pages 107, 153 and 224 respectively, of this Prospectus.

## MAJOR EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Key Events & Milestones
1993	<ul style="list-style-type: none"> <li>Company incorporated as a Private Limited Company in the name of "Holmarc Slides and Controls Private Limited"</li> </ul>
2006	<ul style="list-style-type: none"> <li>Company purchased 10.0625 cents of land at HMT Industrial Estate along with Shed from Government of Kerala on Hire Purchase basis to set up its own manufacturing facility</li> </ul>
2007	<ul style="list-style-type: none"> <li>Company purchased additional 13 cents of land at HMT Industrial Estate from Government of Kerala on Hire Purchase basis</li> <li>The name of our Company changed to "Holmarc Opto-Mechatronics Private Limited"</li> </ul>
2011	<ul style="list-style-type: none"> <li>Company purchased additional 7 cents of land at HMT Industrial Estate from Government of Kerala on Hire Purchase basis</li> <li>Executed Technical Tie-ups agreement with a premier Research Institution, wherein the said Institution will share its technical data and knowhow to Holmarc for manufacturing 'Fluorescence Correlation Spectroscopy Apparatus' developed by said Institution and sell the same in India and abroad</li> </ul>
2014	<ul style="list-style-type: none"> <li>Executed Technical Tie-ups agreement with a premier Government Research Institution, wherein the said Institution will share its technical data and knowhow to Holmarc for manufacturing 'Dual Polarisation LIDAR' developed by said Institution and sell the same in India and abroad</li> </ul>
2021	<ul style="list-style-type: none"> <li>Company converted from Private Limited Company to Public Limited Company i.e. "Holmarc Opto-Mechatronics Limited"</li> </ul>
2023	<ul style="list-style-type: none"> <li>Executed License agreement with a premier Research Institution, for end market commercialisation of the products developed by said Institution such as 'Universal Measuring Machine' in the initial</li> </ul>

<b>Calendar Year</b>	<b>Key Events &amp; Milestones</b>
	<p>phase, wherein the Institution will provide technology and right to manufacture and distribute Universal Measuring Machine in India.</p> <ul style="list-style-type: none"> <li>Executed Technical Tie-ups agreement with a premier Institution of Post Graduate Teaching and Research University, wherein the said university will share its expertise and provide design inputs and technical assistance to Holmarc to develop, manufacture and sell 'Rubbing Machine' with better features.</li> </ul>

## KEY PRODUCTS LAUNCHED

<b>Calendar Year</b>	<b>Key Products</b>
	<i>Motorized XYZ linear positioners for laser-based experiments.</i>
	<i>Foot controlled motorized linear stage for ophthalmic surgical microscope</i>
	<i>Linear motion slides for automation</i>
	<i>Opto-mechanical components</i>
	<i>Diode laser modules with power supplies.</i>
	<i>Diode Laser based Michelson interferometer for Physics Lab</i>
	<i>Microprocessor based multi-axes position controllers for R&amp;D</i>
	<i>Honeycomb core optical tabletops for laboratories</i>
	<i>Vibration Isolation System for honeycomb core optical tables</i>
	<i>Automated heavy duty Rotary positioners (Antenna studies)</i>
	<i>Optical components like lenses, mirrors, prisms, etc.</i>
	<i>Physics lab instruments</i>
	<i>Spray pyrolysis equipment for solar cell research</i>
1993	<i>Dip coating and spin coating machines for thin films research</i>
to	<i>He-Ne Laser based Hologram creating system.</i>
2021	<i>Contact Angle Meters</i>
	<i>Fluorescence Correlation spectroscope</i>
	<i>Nano-fiber electrospinning station</i>
	<i>Interferometers and spectrometers for R&amp;D.</i>
	<i>Automated Monochromators</i>
	<i>Rubbing machine for liquid crystal development and research.</i>
	<i>Ellipsometers and reflectometers for thin film measurements</i>
	<i>Spectrophotometers</i>
	<i>Auto-microscope for automated image scanning.</i>
	<i>Photo-detector measurement system</i>
	<i>Hologram microscope</i>
	<i>Fluorescent microscope, probe station microscope</i>
	<i>UV laser micro-writing stations for semi-conductor research</i>
	<i>Impedance measurement systems for sound absorption studies.</i>
2022	<p>Following products were developed in this year:</p> <ul style="list-style-type: none"> <li>Digital In-line Holography microscope (Horizontal configuration)</li> <li>Inverted Fluorescence Microscope (Research grade)</li> <li>Triboelectric Measurement System</li> <li>Quantum Efficiency and Spectral Response Measurement System</li> <li>Three Sun Solar Simulator (100mm Diameter)</li> <li>Automated Spectrometer with Motorized slit</li> <li>Magnet Lab High Tesla Electromagnet</li> <li>Magnetic Tweezers set-up</li> <li>Laser Beam Induced Current (LBIC) Measurement System</li> </ul>
2023	<i>Research grade Raman Spectroscopes</i>

## SIGNIFICANT FINANCIAL AND STRATEGIC PARTNERSHIPS

As on the date of this Prospectus, our Company does not have any significant strategic or financial partners.

## **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Prospectus, our employees are not unionized.

## **TIME/COST OVERRUN IN SETTING UP PROJECTS**

As on the date of this Prospectus, there has been no time and cost overruns in the Company.

## **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/FACILITY CREATION OR LOCATION OF STORES**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of stores, see “*Our Business*” and “*History and Certain Corporate Matters*” on pages 107 and 147 of this prospectus.

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

As on the date of this Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

## **DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS**

Except as mentioned in chapter “*History and Certain Corporate Matters*” beginning on page no. 147, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Prospectus.

## **HOLDING COMPANY**

As on the date of this Prospectus, our Company does not have a holding company.

## **JOINT VENTURES OF OUR COMPANY**

As on the date of this Prospectus, our Company does not have any joint ventures.

## **SUBSIDIARIES AND ASSOCIATES OF OUR COMPANY**

As on the date of this Prospectus, our Company does not have any subsidiaries and Associates. However, till March 15, 2021, our Company had one Associate i.e. M/s. Greentreat Machines Private Limited and our Company was holding 50% shareholding of M/s. Greentreat Machines Private Limited.

## **DETAILS OF SHAREHOLDERS’ AGREEMENT**

As on date of this Prospectus, there are no subsisting shareholders’ agreements among our shareholders vis-à-vis our Company.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel or 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 in this Prospectus, our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

For details on business agreements of our Company, see “*Our Business*” beginning on page 107 of this Prospectus.

#### **GUARANTEES GIVEN BY OUR PROMOTERS**

Our Promoters have not given any guarantee to any third parties as on the date of this Prospectus.

#### **CAPITAL RAISING (DEBT / EQUITY)**

Except as set out in the Sections titled “*Capital Structure*” and “*Financial Indebtedness*” beginning on page no 60 and 220 respectively of this prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

#### **INJUNCTION OR RESTRAINING ORDER**

Our company is not operating under any injunction or restraining order.

#### **DETAILS REGARDING PAST PERFORMANCE OF THE COMPANY.**

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled “*Financial Statements as restated*” beginning on page no. 188 of this prospectus.

#### **SHAREHOLDERS OF OUR COMPANY**

As on the date of this Prospectus, our Company has 15 (Fifteen) shareholders. For further details in relation to the current shareholding pattern, please refer to Section titled “*Capital Structure*” beginning on page no. 60 of this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date of Prospectus, our Company has 15 (Fifteen) Directors on our Board, 1 (one) Managing Director, 9 (Nine) Whole Time Directors and 5 (Five) Independent Directors. There are 3 (Three) Women Director in our Board.

The details of the Directors are as follows:

Sl. No.	Name of the Director	DIN	Current Designation	Date of Joining#
1	Jolly Cyriac	00409364	Managing Director	11-02-1993
2	Ishach Sainuddin	00409402	Wholetime Director	11-02-1993
3	Jaya Jolly	09723618	Wholetime Director	26-09-2022
4	Gopala Kurup Unnikrishna Kurup	07622598	Wholetime Director	17-08-2021
5	Jayagosh Unni Srmbikkal	09257206	Wholetime Director	17-08-2021
6	Vellachalil Ramakrishnan Sanjaykumar	09257141	Wholetime Director	02-12-2021
7	Abdul Rasheed Aledath Kochunni	09257188	Wholetime Director	02-12-2021
8	Jim Jose Punnackal Josey	09257264	Wholetime Director	02-12-2021
9	Lijo George	09257355	Wholetime Director	02-12-2021
10	Pottekkattu Muhammed Muhammedshafi	09257403	Wholetime Director	02-12-2021
11	Ananthavally Raghavan Satheesh	09751547	Independent Director	30-05-2023
12	Reji Zachariah	07402596	Independent Director	30-05-2023
13	Sajeev Plavita Gopinathan Nair	02602190	Independent Director	30-05-2023
14	Tracy Tulassne Caesar	07459768	Independent Director	30-05-2023
15	Anju Poulose Maliyakkal	10132996	Independent Director	30-05-2023

# Original date of appointment as per MCA database.

The following table sets forth details regarding the Board of Directors as on the date of this prospectus:

Sl. No.	Particulars	Details
1	Name of the Director	<b>Mr. Jolly Cyriac</b>
	Father's Name	Chennoth Lucka Cyriac
	Residential Address	Kakkattuchira, Friends Valley, Thrikkakkara P O, Vadacode, Ernakulam-682021, Kerala, India
	Date of Birth	30-05-1965
	Age	58 years
	Designation	Managing Director
	DIN	00409364
	Occupation	Business
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Technology (Mechanical) from University of Kerala in the year 1989 <input type="checkbox"/> Master of Science by Research (Entrepreneurship) from Indian Institute of Technology, Madras in the year 1993
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed as Managing Director on February 11, 1993
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Not liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
2	Name of the Director	<b>Mr. Ishach Sainuddin</b>
	Father's Name	Late Sainuddin Mohamed
	Residential Address	Thenguvila, 7/633 H Friends Valley Seaport Air Port Road, Thrikkakara P O, Vadacode, Ernakulam-682021, Kerala, India
	Date of Birth	28-04-1966
	Age	57 Years
	Designation	Whole Time Director and Chief Financial Officer
	DIN	00409402
	Occupation	Business
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Technology (Mechanical) from University of Kerala in the year 1989
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on February 11, 1993 as Director and Designation changed to Whole Time Director w.e.f. October 01, 2008 and appointed as Chief Financial Officer w.e.f. January 31, 2023
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Not liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
3	Name of the Director	<b>Mrs. Jaya Jolly</b>
	Father's Name	George Joseph Anthraper
	Residential Address	Kakkattuchira, Friends Valley, Thrikkakara P O, Vadacode, Ernakulam-682021, Kerala, India
	Date of Birth	22-05-1970
	Age	53 Years
	Designation	Whole Time Director
	DIN	09723618
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Commerce from University of Calicut in the year 1990 <input type="checkbox"/> Master of Commerce from Madurai Kamaraj University in the year 1992
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed as Whole Time Director w.e.f. September 26, 2022
	Terms of Appointment	3 (three) years from September 26, 2022 to September 25, 2025 Not Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
4	Name of the Director	<b>Mr. Gopala Kurup Unnikrishna Kurup</b>
	Father's Name	Gopala Kurup
	Residential Address	Krishnakripa, Cheranalloor Road, Manjummel P O, Udyogamandal S.O, Ernakulam-683501, Kerala, India
	Date of Birth	06-04-1945
	Age	78 Years
	Designation	Whole Time Director
	DIN	07622598
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Commerce from Kerala University in the year 1966 <input type="checkbox"/> Master of Commerce from Kerala University in the year 1968 <input type="checkbox"/> Post Graduate Diploma in Business Management from Annamalai University in the year 1983
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on August 17, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. August 17, 2021
	Terms of Appointment	5 (five) years from August 17, 2021 to August 16, 2026 Not liable to retire by rotation
	Directorship in other companies	<input type="checkbox"/> Bitanalytic Technology Solutions Private Limited
Other Ventures	Nil	

Sl. No.	Particulars	Details
5	Name of the Director	<b>Mr. Jayagosh Unni Srambikkal</b>
	Father's Name	Unni Kannappan Srambikkal
	Residential Address	Srambikkal House, Parayil Road, Elamakkara S.O, Ernakulam-682026, Kerala, India
	Date of Birth	02-11-1958
	Age	64 Years
	Designation	Whole Time Director
	DIN	09257206
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Commerce from Kerala University in the year 1980 <input type="checkbox"/> Master of Commerce from Kerala University in the year 1992
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on August 17, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. August 17, 2021
	Terms of Appointment	5 (five) years from August 17, 2021 to August 16, 2026 Not liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
6	Name of the Director	<b>Mr. Vellachalil Ramakrishnan Sanjaykumar</b>
	Father's Name	Sanjaykumar V R
	Residential Address	Vellachalil, Mulanthuruthy, Ernakulam-682314, Kerala, India
	Date of Birth	10-05-1973
	Age	50 Years
	Designation	Whole Time Director
	DIN	09257141
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> National Trade Certificate for Draughtman Mechanical from National Council for Vocational Training in the year 1993
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
7	Name of the Director	<b>Mr. Abdul Rasheed Aledath Kochunni</b>
	Father's Name	Abdulrasheed A K
	Residential Address	Aledath House Karachottimoola Road, Kuzhivelippady, VTC: Aluva East, District: Enakulam, Kerala – 683561, India
	Date of Birth	08-05-1981
	Age	42 Years
	Designation	Whole Time Director
	DIN	09257188
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Diploma in Electronics Production Technology from State Board of Technical Education, Government of Kerala in the year 2001
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
8	Name of the Director	<b>Mr. Jim Jose Punnackal Josey</b>
	Father's Name	Josey Punnackal Mathew
	Residential Address	Punnackal House, Edathala North, Kakkadambilly Road, Aluva, Ernakulam-683561, Kerala, India
	Date of Birth	13-09-1976
	Age	46 Years
	Designation	Whole Time Director
	DIN	09257264
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Diploma in Electronics Production Technology from State Board of Technical Education, Government of Kerala in the year 1997
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
9	Name of the Director	<b>Mr. Lijo George</b>
	Father's Name	George Poliyakudy Varghese
	Residential Address	Poliyakudy House, Nellikuzhi P.O, Edanadu, Kothamangalam, Thrikkariyoor (Part), Ernakulam-686691, Kerala, India
	Date of Birth	30-05-1982
	Age	41 Years
	Designation	Whole Time Director
	DIN	09257355
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Diploma in Mechanical Engineering from State Board of Technical Education, Government of Kerala in the year 2002
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
10	Name of the Director	<b>Mr. Pottekkattu Muhammed Muhammedshafi</b>
	Father's Name	Pottekkattu Kunjumarakkar Muhammed
	Residential Address	Pottekkattil House, Edayakkunnam, South Chittoor, Ernakulam-682027, Kerala, India
	Date of Birth	10-01-1984
	Age	39 Years
	Designation	Whole Time Director
	DIN	09257403
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Science from Mahatma Gandhi University, Kottayam in the year 2005
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
	Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
11	Name of the Director	<b>Mr. Ananthavally Raghavan Satheesh</b>
	Father's Name	Raghavan Madhavan
	Residential Address	Bodhi, Mannoppilly Nagar, Cochin University P O, Thrikkakara North (Part), Ernakulam-682022, Kerala, India
	Date of Birth	29-05-1960
	Age	63 Years
	Designation	Independent Director
	DIN	09751547
	Occupation	Service
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Science from University of Kerala in the year 1979 <input type="checkbox"/> Bachelor of Technology (Electrical) from University of Kerala in the year 1985 <input type="checkbox"/> Diploma from The Institution of Engineers (India) in the year 2004
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	30-05-2023
	Terms of Appointment	5 (five) years from May 30, 2023 to May 29, 2028 Not Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	Nil	

Sl. No.	Particulars	Details
12	Name of the Director	<b>Mr. Reji Zachariah</b>
	Father's Name	Zachariah Areekal Korah
	Residential Address	Areekal House, 1st Sonooro Church Cross Road, Opp Radisson Blue Hotel, Elamkulam, Kadavanthara, Ernakulam-682020, Kerala, India
	Date of Birth	21-05-1969
	Age	54 Years
	Designation	Independent Director
	DIN	07402596
	Occupation	Business
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Technology (Civil) from Mahatma Gandhi University in the year 1991 <input type="checkbox"/> Master of Science by Research from Indian Institute of Technology, Madras in the year 1995
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	30-05-2023
	Terms of Appointment	5 (five) years from May 30, 2023 to May 29, 2028 Not Liable to retire by rotation
	Directorship in other companies	<input type="checkbox"/> EKM Builders Private Limited (Strike Off) <input type="checkbox"/> XBuild Software Private Limited
Other Ventures	<input type="checkbox"/> SR Consultants	

Sl. No.	Particulars	Details
13	Name of the Director	<b>Mr. Sajeew Plavita Gopinathan Nair</b>
	Father's Name	Chitteth Neelakanda Pillai Gopinathannair
	Residential Address	1C First Floor, Sreelakshmi Apartment, Amrita Lane, Eroor North , Tripunithura Nadama Village, Ernakulam-682306, Kerala, India
	Date of Birth	04-05-1970
	Age	53 Years
	Designation	Independent Director
	DIN	02602190
	Occupation	Practising Professional
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Science from Mahatma Gandhi University in the year 1990 <input type="checkbox"/> Certificate of Membership and Certificate of Practice from The Institute of Chartered Accountants of India in the year 2003 <input type="checkbox"/> Bachelor of Law (LLB) from School of Legal Studies, Cochin University in the year 2023
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	30-05-2023
	Terms of Appointment	5 (five) years from May 30, 2023 to May 29, 2028 Not Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	<input type="checkbox"/> Sajeew & Ajith, Chartered Accountants	

Sl. No.	Particulars	Details
14	Name of the Director	<b>Ms. Tracy Tulasne Caesar</b>
	Father's Name	Royden Bryan Caesar
	Residential Address	1/1298 A 1/1321 D, North Thamaraparambu, Fort Kochi, Kochi, Ernakulam-682001, Kerala, India
	Date of Birth	23-04-1983
	Age	40 Years
	Designation	Independent Director
	DIN	07459768
	Occupation	Practising Professional
	Nationality	Indian
	Qualification	<input type="checkbox"/> Bachelor of Commerce from Mahatma Gandhi University in the year 2003 <input type="checkbox"/> Associate Member of The Institute of Company Secretaries of India in the year 2009
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	30-05-2023
	Terms of Appointment	5 (five) years from May 30, 2023 to May 29, 2028 Not Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	<input type="checkbox"/> CaesarPintoJohn & Associates LLP (Designated Partner)	

Sl. No.	Particulars	Details
15	Name of the Director	<b>Ms. Anju Poullose Maliyakkal</b>
	Father's Name	Poullose Varghese Maliyakkal
	Residential Address	Champlipad, Palal Gardens, CSEZ PO, VTC: Cochin Special Economic Zone, District: Ernakulam, State: Kerala, Pin-682037
	Date of Birth	29-01-1985
	Age	38 Years
	Designation	Independent Director
	DIN	10132996
	Occupation	Practising Professional
	Nationality	Indian
	Qualification	<input type="checkbox"/> Associate (with COP) member of The Institute of Chartered Accountants of India in the year 2009 <input type="checkbox"/> Certified Sarbanes Oxley Expert (CSOE) from Sarbanes Oxley Compliance Professionals Association (SOXCPA) in the year 2019 <input type="checkbox"/> Certified Fraud Examiner Course from Association of Certified Fraud Examiners in the year 2020 <input type="checkbox"/> Certificate Course on Business Responsibility and Sustainability Reporting (BRSR) from The Institute of Chartered Accountants of India in the year 2021 <input type="checkbox"/> Certificate Course on Concurrent Audit of Banks from The Institute of Chartered Accountants of India in the year 2023
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	30-05-2023
	Terms of Appointment	5 (five) years from May 30, 2023 to May 29, 2028 Not Liable to retire by rotation
	Directorship in other companies	Nil
Other Ventures	<input type="checkbox"/> APNT & Associates, Chartered Accountants	

## BRIEF BIOGRAPHIES OF THE DIRECTORS:

1. **Mr. Jolly Cyriac**, aged about 58 years, is the Promoter and Managing Director of our company. He has been on the Board of Directors since inception of our Company. He holds Degree of Bachelor of Technology (Mechanical) from University of Kerala and Master of Science by Research (Entrepreneurship) from Indian Institute of Technology, Madras. After completion of Master's Degree, he joined with his classmate Mr. Ishach Sainuddin and promoted our organisation in 1993. His 30 plus years of experience in the industry and the effort to bring in improvements in the existing products and quest for new products, manufacturing engineering tools for scientific research, industry and education have made us well known in India.

His dream is to make this organization a globally acceptable manufacturer of Scientific Research Equipment. His endurance and relentless work pave way for the growth of this organization. Gruelling hours of preparation under his guidance and leadership has demonstrated that we, an Indian Company, can grow and get recognized as a global player. He has adopted a work culture that every employee of our organization is at par in sharing the responsibility which makes them proud of being core of this entity.

2. **Mr. Ishach Sainuddin**, aged about 57 years, is the Whole Time Director cum Chief Financial Officer our Company. He has been on the Board of Directors since inception. He has also been appointed as Chief Financial Officer on January 31, 2023. He holds a Degree of Bachelor of Technology (Mechanical) from University of Kerala. After completing his Bachelor of Technology (Mechanical), he moved to Bahrain. After 2 years of his foreign assignment, he came back to India and joined Mr. Jolly Cyriac in promoting this organisation and did the entire spade work for bringing up. He has more than 30 years of experience in this industry.

He is well versed in each and every aspect of material management. Though an Engineering Graduate, his way of controlling the finance resulted in smooth running of the organization. His control over the financial activities has helped the organization to grow in a faster pace without any stumbling block. His strength in analysing all the events, whether it is in procurement of raw material, machinery, tools, job work, etc and smoothening the flow of activities is immensely rich. The success of our organization is its strong foundation on the good faith and belief the Promoters have between the two and they bestow on others.

3. **Mrs. Jaya Jolly**, aged about 53 years, is the Whole Time Director of our company. She has been on the Board of Directors since September 26, 2022. Prior to her directorship, she was associated with our company since 2016. She holds Degree of Bachelor of Commerce from University of Calicut and Master of Commerce from Madurai Kamaraj University. She has more than 7 years of experience in e-commerce and material management.

She is a direct, capable, and committed leader passionate about empowering women. She spearheads the team responsible for verifying and validating bills and vouchers for all purchase expenses and also plays a crucial role in inventory management. She is instrumental in optimizing and preserving order in Company's procurement and inventory departments.

4. **Mr. Gopala Kurup Unnikrishna Kurup**, aged about 78 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since August 17, 2021. He holds Degree of Master of Commerce from Kerala University and Post Graduate Diploma in Business Management from Annamalai University. He has more than 50 years of experience in diversified fields.

He has worked with M/s. The Fertilisers and Chemicals Travancore Limited (FACT), A Government of India Enterprise; in their Marketing Division, Caprolactam Division and FACT Engineering and Design Organization (FEDO). He has served FACT for 35 years at different levels. He has attended seminars, training programs and conferences and has been member of some of the committees. He was a member of FACT Lalitha Kala Kendra, Management Representative of FACT Sports Association, Horti Agricultural Society and FACT Co-operative Society. After his retirement in 2003, he joined with M/s. Marine Hydrocolloids, Manufacturer of Agar Agar, Kochi as their General Manager. He was involved in the import of Seaweed and export of Agar Agar. He went for a training in seaweed cultivation and processing. In 2006, he joined M/s. Mereena Group, Manufacturer of Thinners, Wood Finishes and Auto Finishes. In 2007, he joined HOLMARC and his dynamism and experience helped us to grow.

He is a social worker. He worked with Amritanandamayi Ashram in forming Self Help Group among fishermen family after tsunami. He was one among the team members in rescue operation during the flood in 2018 and rehabilitation of flood victims. He was a part time faculty member of the Cochin Chapter of ICWA.

5. **Mr. Jayagosh Unni Srambikkal**, aged about 64 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since August 17, 2021. He holds a Master's Degree in Commerce from Kerala University. He has more than 35 years of experience in Accounts and Taxation.

Before joining HOLMARC, He has worked with M/s. Raghunandan Electronics Limited, Bangalore, Exide Industries Ltd and Jai Hind Travels Private Limited. His experience in VAT, GST and Taxation has helped the Company to go ahead without any taxation problem. He is well versed in Tally ERP. He is efficient in solving all accounting problems including payroll. His endeavour in finalising the Annual Accounts and feeding the information required by the Management has helped to take very effective decisions.

6. **Mr. Vellachalil Ramakrishnan Sanjaykumar**, aged about 50 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since December 02, 2021. He holds National Trade Certificate for Draughtman Mechanical from National Council for Vocational Training (NCVT). He joined our organization as Design Assistant in the year 1994. He has more than 6 years of experience in Mechanical Design as a Design assistant and 10 years as a production coordinator. He has been elevated to the position of Factory Manager as he is hard working and very much dedicated.
7. **Mr. Abdul Rasheed Aledath Kochunni**, aged about 42 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since December 02, 2021. He holds Diploma in Electronics Production Technology from State Board of Technical Education, Government of Kerala. He has more than 20 years of experience in developing embedded systems for scientific and research applications. Currently he heads the functions of the Electronics Research and Development section.
8. **Mr. Jim Jose Punnackal Josey**, aged about 46 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since December 02, 2021. He holds Diploma in Electronics Production Technology from State Board of Technical Education, Government of Kerala. He Joined Holmarc in the year 2001 and has 4 years of experience in Holmarc's Electronics Production Department and more than 18 years of experience in Holmarc's marketing and Sales Department. Currently, he heads the Sales Department of our Company.
9. **Mr. Lijo George**, aged about 41 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since December 02, 2021. He holds Diploma in Mechanical Engineering from State Board of Technical Education, Government of Kerala. He has 2 years' experience in mechanical design and more than 15 years in the design, production, and testing of optical components and instruments. He is currently in charge of the R&D and production of optical thin films and optical components at our Company.
10. **Mr. Pottekkattu Muhammed Muhammedshafi**, aged about 39 years, is the Whole Time Director of our company. He has been on the Board of Directors of our Company since December 02, 2021. He holds Bachelor of Science from Mahatma Gandhi University, Kottayam. He has worked as Graphic Designer at TEAM (Technical Experts Advertising & Marketing), Ernakulam. He joined Holmarc in 2006. He has 13 years of experience in Optical product Designing (spectroscopic instruments, Microscopy and other custom imaging instruments, Bio medical instrumentation, Physic lab products, confocal micro-Raman, Fluorescence Correlation Spectroscopy etc.). So far, he has designed more than 300 products in various scientific fields.
11. **Mr. Ananthavally Raghavan Satheesh**, aged about 63 years, is the Independent Director of our company. He has been on the Board of Directors of our Company since May 30, 2023. He holds Degree of Bachelor of Science from University of Kerala, Bachelor of Technology (Electrical) from University of Kerala and Diploma as Member from The Institution of Engineers (India). He is the President of Kerala High Tension and Extra High Tension Industrial Electricity Consumers' Association (Kerala HT&EHT Association) which is the representative body of all EHT Industries and Major HT Industries in Kerala. He is also a member of Kerala State Advisory Committee of KSERC for the last 7 years. He is also a member of Kerala State Electricity Supply Code Review Panel, Kerala State Technical Committee for the Reforms in Technical Standards in Power Sector, Kerala State Productivity Council Governing Body and Board of Studies Member in MBA Energy Management at Kerala University of Fisheries and Ocean Studies (KUFOS). He was also the Sr. Associate Vice President of Carborundum Universal Limited, Group Company in Muruggappa Group with a total experience of 33 years.

12. **Mr. Reji Zachariah**, aged about 54 years, is the Independent Director of our company. He has been on the Board of Directors of our Company since May 30, 2023. He holds Degree of Bachelor Technology (Civil) from Mahatma Gandhi University and Master of Science by Research from Indian Institute of Technology, Madras. He is a Civil Engineer. He is the Chief Executive Officer of Xbuild Software, Kochi and S&R consultants, Kochi. He has completed more than 1500 projects in the field of Structural & Geotechnical designing, detailing of Industrial, Commercial and residential buildings in the last 30 years and has been managing more than 100 ongoing projects presently. He has provided Geotechnical consulting for about 60 projects per month for the last 15 years. His area of experience includes Structural designing and detailing, Construction Management, Geotechnical consultancy, Engineering software development etc. He is the President of Structural and Geotechnical consultants, Kerala. He is also an Executive Member of Indian Geotechnical Society and Executive member of GRACE.
13. **Mr. Sajeev Plavita Gopinathan Nair**, aged about 53 years, is the Independent Director of our company. He has been on the Board of Directors of our Company since May 30, 2023. He holds Degree of Bachelor of Science from Mahatma Gandhi University and Certificate of Membership and Certificate of Practice from The Institute of Chartered Accountants of India. He is a Practising Chartered Accountant having more than 20 years of experience in Audit, Consultancy and Taxation. He was the co-opted member of the Committee for Capacity Building of CA Firms and Small & Medium Practitioners (CCBCAF & SMP) of the Institute of Chartered Accountants of India for the year 2010-11. He was the Chairman of The Ernakulam Branch of the SIRC of The Institute of Chartered Accountants of India (ICAI) during 2008-09.
14. **Ms. Tracy Tulassne Caesar**, aged about 40 years, is the Independent Director of our company. She has been on the Board of Directors of our Company since May 30, 2023. She is the Associate Member of The Institute of Company Secretaries of India and having more than 14 years of industrial experience in handling secretarial and legal compliance. Her experience spreads across procedural and advisory services on Company law matters, Capital Issues, due diligence, Corporate Governance, NBFC compliance, SEBI matters and Public Issue of Securities.
15. **Ms. Anju Poulouse Maliyakkal**, aged about 38 years, is the Independent Director of our company. She has been on the Board of Directors of our Company since May 30, 2023. She is the Associate (with COP) member of The Institute of Chartered Accountants of India. She has also completed Certificate Course on Business Responsibility and Sustainability Reporting (BRSR) from The Institute of Chartered Accountants of India and Certified Fraud Examiner Course from Association of Certified Fraud Examiners and Certificate Course on Concurrent Audit of Banks from The Institute of Chartered Accountants of India and Certified Sarbanes Oxley Expert (CSOE) from Sarbanes Oxley Compliance Professionals Association (SOXCPA). She is having more than 13 years of vast exposure working with various industries like IT, Hospitality, Food, Beverages, Manufacturing, Healthcare, Retail, Pharmaceuticals, Government Public Sector, Banking, Telecom etc.

#### FAMILY RELATIONSHIPS BETWEEN THE DIRECTORS

Director	Other Director	Relation
Mr. Jolly Cyriac	Mrs. Jaya Jolly	Spouse

#### ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a Senior Management as on the date of this prospectus.

#### SERVICE CONTRACTS

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

#### COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES WHOSE SHARES HAVE BEEN/WERE SUSPENDED FROM BEING TRADED ON ANY OF THE STOCK EXCHANGE DURING HIS/HER TENORS FOR A PERIOD BEGINNING FROM FIVE (5) YEARS PRIOR TO THE DATE OF THIS PROSPECTUS

None of the Directors are/were directors of any company whose shares were suspended from being trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years or to the extent applicable.

## DIRECTOR'S ASSOCIATION WITH THE SECURITIES MARKET

None of the Directors of our Company are associated with securities market.

## COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES THAT HAVE BEEN/WERE DELISTED FROM STOCK EXCHANGES IN INDIA

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s). Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

## BORROWING POWERS OF THE BOARD

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special resolution passed at their Extra Ordinary General Meeting dated March 25, 2022, allowed to borrow and that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 100.00 crores.

## POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING:

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the EMERGE Platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. 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.

## POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS:

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the EMERGE Platform of NSE.

## COMPENSATION OF OUR MANAGING DIRECTOR AND EXECUTIVE DIRECTORS

The compensation payable to Managing Director and Executive Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions 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, 1956, for the time being in force).

### The following compensation has been approved for Managing Director and Whole Time Directors

#### a) Mr. Jolly Cyriac

Appointment/Change in Designation	Originally appointed as Managing Director on February 11, 1993
Current Designation	Managing Director
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Not liable to retire by rotation
Remuneration & Perquisites	Remuneration: <ul style="list-style-type: none"> <li>○ ₹ 75,000 per month w.e.f. April 01, 2023 (₹ 55,000/- per month upto March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> Perquisites: <ul style="list-style-type: none"> <li>○ 1% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the</li> </ul>

	<p>extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</p> <ul style="list-style-type: none"> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings for the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	Remuneration: ₹ 6.60 lakh Sales Incentives: ₹ 28.09 lakh

**b) Mr. Ishach Sainuddin**

Appointment/Change in Designation	Originally appointed on February 11, 1993 as Director and Designation changed to Whole Time Director w.e.f. October 01, 2008
Current Designation	Whole Time Director and Chief Financial Officer
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Not liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 75,000 per month w.e.f. April 01, 2023 (₹ 55,000/- per month upto March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ 1% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	Remuneration: ₹ 6.60 lakh Sales Incentives: ₹ 28.09 lakh

**c) Mrs. Jaya Jolly**

Appointment/Change in Designation	Originally appointed as Whole Time Director w.e.f. September 26, 2022
Current Designation	Whole Time Director
Terms of Appointment	3 (three) years from September 26, 2022 to September 25, 2025 Not Liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 75,000 per month w.e.f. April 01, 2023 (₹ 55,000/- per month upto March 31, 2023), which is eligible for revision on a date to be determined by the Board of</li> </ul>

	<p>Directors of the Company.</p> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Gratuity payable at the rate not exceeding one half a month's salary for each completed year of service</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 3.34 lakh</p> <p>Sales Incentives: Nil</p>

**d) Mr. Gopala Kurup Unnikrishna Kurup**

Appointment/Change in Designation	Originally appointed on August 17, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. August 17, 2021
Current Designation	Whole Time Director
Terms of Appointment	5 (five) years from August 17, 2021 to August 16, 2026 Not liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 75,000 per month w.e.f. April 01, 2023 (₹ 55,000/- per month upto March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 7.15 lakh</p> <p>Sales Incentives: Nil</p>

**e) Mr. Jayagosh Unni Srambikkal**

Appointment/Change in Designation	Originally appointed on August 17, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. August 17, 2021
Current Designation	Whole Time Director
Terms of Appointment	5 (five) years from August 17, 2021 to August 16, 2026 Not liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 75,000 per month w.e.f. April 01, 2023 (₹ 55,000/- per month upto March 31, 2023), which is eligible for revision on a date to be determined by the Board of</li> </ul>

	<p>Directors of the Company.</p> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 7.15 lakh</p> <p>Sales Incentives: Nil</p>

**f) Mr. Vellachalil Ramakrishnan Sanjaykumar**

Appointment/Change in Designation	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
Current Designation	Whole Time Director
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 63,360/- per month w.e.f. April 01, 2023 (₹ 50,000/- per month up to March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ 0.2% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Gratuity payable at the rate not exceeding one half a month's salary for each completed year of service</li> <li>○ Encashment of leave at the end of the financial year.</li> <li>○ Entitlement of reimbursement of payment of premium for any Mediclaim Policy, subject to ₹ 12,000/- per annum.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 6.91 lakh</p> <p>Sales Incentives: ₹ 5.62 lakh</p>

**g) Mr. Abdul Rasheed Aledath Kochunni**

Appointment/Change in Designation	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
Current Designation	Whole Time Director
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025

	Liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 63,800/- per month w.e.f. April 01, 2023 (₹ 50,000/- per month up to March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ 0.2% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Gratuity payable at the rate not exceeding one half a month's salary for each completed year of service</li> <li>○ Encashment of leave at the end of the financial year.</li> <li>○ Entitlement of reimbursement of payment of premium for any Medclaim Policy, subject to ₹ 12,000/- per annum.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 6.96 lakh</p> <p>Sales Incentives: ₹ 5.62 lakh</p>

**h) Mr. Jim Jose Punnackal Josey**

Appointment/Change in Designation	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
Current Designation	Whole Time Director
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 63,415/- per month w.e.f. April 01, 2023 (₹ 50,000/- per month up to March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ 0.2% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Gratuity payable at the rate not exceeding one half a month's salary for each completed year of service</li> <li>○ Encashment of leave at the end of the financial year.</li> <li>○ Entitlement of reimbursement of payment of premium for any Medclaim Policy, subject to ₹ 12,000/- per annum.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the</li> </ul>

	<p>Board of Directors or Committees thereof.</p> <ul style="list-style-type: none"> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 6.92 lakh Sales Incentives: ₹ 5.62 lakh</p>

**i) Mr. Lijo George**

Appointment/Change in Designation	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
Current Designation	Whole Time Director
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 63,965/- per month w.e.f. April 01, 2023 (₹ 50,000/- per month up to March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul> <p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ 0.2% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Gratuity payable at the rate not exceeding one half a month's salary for each completed year of service</li> <li>○ Encashment of leave at the end of the financial year.</li> <li>○ Entitlement of reimbursement of payment of premium for any Medclaim Policy, subject to ₹ 12,000/- per annum.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 6.98 lakh Sales Incentives: ₹ 5.62 lakh</p>

**j) Mr. Pottakkattu Muhammed Muhammedshafi**

Appointment/Change in Designation	Originally appointed on December 02, 2021 as Additional Non-Executive Director and Designation changed to Whole Time Director w.e.f. February 01, 2022
Current Designation	Whole Time Director
Terms of Appointment	3 (three) years from February 01, 2022 to January 31, 2025 Liable to retire by rotation
Remuneration & Perquisites	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>○ ₹ 63,965/- per month w.e.f. April 01, 2023 (₹ 50,000/- per month up to March 31, 2023), which is eligible for revision on a date to be determined by the Board of Directors of the Company.</li> </ul>

	<p>Perquisites:</p> <ul style="list-style-type: none"> <li>○ 0.2% Sales Commission.</li> <li>○ Contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.</li> <li>○ Variable Performance Bonus not exceeding 1 (one) month Salary.</li> <li>○ Gratuity payable at the rate not exceeding one half a month's salary for each completed year of service</li> <li>○ Encashment of leave at the end of the financial year.</li> <li>○ Entitlement of reimbursement of payment of premium for any Mediclaim Policy, subject to ₹ 12,000/- per annum.</li> <li>○ Leave with full pay and allowances shall be allowed as per the Company's rules.</li> <li>○ Reimbursement of Entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.</li> <li>○ No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.</li> <li>○ The Perquisites if any shall be valued as per the Income Tax Rules, 1962, as may be applicable.</li> <li>○ In the event of company has no profit or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of Central Government, if required.</li> </ul>
Remuneration and Incentives paid in the year 2022-23	<p>Remuneration: ₹ 6.98 lakh Sales Incentives: ₹ 5.62 lakh</p>

### BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

Except as mentioned above, we have no bonus or profit-sharing plan for our directors.

### PAYMENT OR BENEFIT TO NON-EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS OF OUR COMPANY

Apart from the remuneration to Whole Time Directors, if any as provided, our Non-Executive Directors and Independent Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

### THE DETAILS OF THE SHAREHOLDING OF OUR DIRECTORS AS ON THE DATE OF THIS PROSPECTUS ARE AS FOLLOWS:

Sl. No.	Name of the Director Shareholder	Category/ Status	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Jolly Cyriac	Managing Director	37,00,800	51.40%	36.82%
2	Ishach Sainuddin	Whole Time Director & Chief Financial Officer	25,84,800	35.90%	25.72%
3	Jaya Jolly	Whole Time Director	3,600	0.05%	0.04%

### INTEREST OF OUR DIRECTORS

Our Directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled "*Our Promoters and Promoter Group*" beginning on page no. 180 of this prospectus.

Further, none of our Directors have any interest in any property acquired by our Company within two (2) years of the date of this prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section "*Shareholding of Directors in our Company*" above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as

promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the sections titled **“Financial Information as Restated”** and **“Our Promoters and Promoter Group”** beginning on pages 188 and 180 respectively of this prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the prospectus. For further details, please refer to section titled **“Our Management”** beginning on page 153 of this prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Companies of our Company.

Our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section **“Our Management”** or the section titled **“Financial Information – Related Party Transactions”** beginning on page no 153 and 218 respectively of this prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

#### **CHANGES IN THE BOARD OF DIRECTORS OF OUR COMPANY IN THE LAST THREE (3) YEARS OR TO THE EXTENT APPLICABLE ARE AS FOLLOWS:**

<b>Name</b>	<b>Date</b>	<b>Designation</b>	<b>Reason</b>
Gopala Kurup Unnikrishna Kurup	17-08-2021	Additional Non-Executive Director	Appointment
	17-08-2021	Whole Time Director	Change of Designation
Jayagosh Unni Srambikkal	17-08-2021	Additional Non-Executive Director	Appointment
	17-08-2021	Whole Time Director	Change of Designation
Lijo George	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Vellachalil Ramakrishnan Sanjaykumar	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Jim Jose Punnackal Josey	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Pottekkattu Muhammed Muhammedshafi	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Abdul Rasheed Aledath Kochunni	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Jaya Jolly	26-09-2022	Whole Time Director	Appointment
Ananthavally Raghavan Satheesh	30-05-2023	Independent Director	Appointment
Reji Zachariah	30-05-2023	Independent Director	Appointment
Sajeev Plavita Gopinathan Nair	30-05-2023	Independent Director	Appointment
Tracy Tulassne Caesar	30-05-2023	Independent Director	Appointment
Anju Poulose Maliyakkal	30-05-2023	Independent Director	Appointment

#### **OTHER CONFIRMATIONS:**

- None of our Directors are on the RBI List of wilful defaulters or fraudulent borrowers as on the date of this prospectus.
- None of our Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares.
  - (a) have been or were suspended from trading on any of the stock exchanges during the five years prior to the date of filing this prospectus or.
  - (b) delisted from the stock exchanges.
- None of the directors of our Company are debarred from accessing the capital market by SEBI.

- None of the Directors has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence etc. except as mentioned in this Prospectus.

## CORPORATE GOVERNANCE

***In terms of Regulation 15(2)(b) of the SEBI Listing Regulations, compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations shall not apply, in respect of listed entity which has listed its specified securities on the SME Exchange.***

***Furthermore, in terms of Regulation 15(3) of the SEBI Listing Regulations, notwithstanding Regulation 15(2) of the SEBI Listing Regulations, the provisions of the Companies Act, 2013 shall continue to apply, wherever applicable.***

***As per the abovementioned provisions of the Listing Regulations, we are not required to comply with the requirements of corporate governance relating to the composition of its board of directors, constitution of committees such as audit committee, nomination and remuneration committee, stakeholders' relationship committee, etc., as provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

Our Board has been duly constituted in compliance with the Companies Act, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and rules framed thereunder, our Board of Directors consists of 15 (Fifteen) Directors (including Three Women Director).

Sl. No.	Name of the Director	DIN	Current Designation
1	Jolly Cyriac	00409364	Managing Director
2	Ishach Sainuddin	00409402	Wholetime Director & CFO
3	Jaya Jolly	09723618	Wholetime Director
4	Gopala Kurup Unnikrishna Kurup	07622598	Wholetime Director
5	Jayagosh Unni Srambikkal	09257206	Wholetime Director
6	Vellachalil Ramakrishnan Sanjaykumar	09257141	Wholetime Director
7	Abdul Rasheed Aledath Kochunni	09257188	Wholetime Director
8	Jim Jose Punnackal Josey	09257264	Wholetime Director
9	Lijo George	09257355	Wholetime Director
10	Pottekkattu Muhammed Muhammedshafi	09257403	Wholetime Director
11	Ananthavally Raghavan Satheesh	09751547	Independent Director
12	Reji Zachariah	07402596	Independent Director
13	Sajeev Plavita Gopinathan Nair	02602190	Independent Director
14	Tracy Tulassne Caesar	07459768	Independent Director
15	Anju Poullose Maliyakkal	10132996	Independent Director

## COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

### ❖ *Audit Committee*

*As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.*

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated June 12, 2023. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Sajeev Plavita Gopinathan Nair	Chairman	Independent Director
Anju Poulose Maliyakkal	Member	Independent Director
Gopala Kurup Unnikrishna Kurup	Member	Wholetime Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and the rules made thereunder.

***Powers of Audit Committee:*** The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- To have full access to information contained in the records of the company;
- To invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee.
- May call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company
- Such powers as the Board may deem fit in accordance with the Act, LODR and any other rules and regulations.

***Role of Audit Committee:*** The role of the Audit Committee shall include the following:

- oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds related through public offers and related matters
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of LODR; (b) annual statement of funds utilized for purposes other than those stated in the prospectus/notice in terms of Regulation 32(7) of LODR.

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 of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

#### ❖ Stakeholders' Relationship Committee

*As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board*

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated June 12, 2023. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Tracy Tulassne Caesar	Chairperson	Independent Director
Ishach Sainuddin	Member	Wholetime Director
Jayagosh Unni Srambikkal	Member	Wholetime Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

#### **Role of the Stakeholders Relationship Committee**

- Resolving the grievances of the security holders of the listed entity 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;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity 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
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

The Stakeholders' Relationship Committee shall meet at least once in a year.

#### ❖ Nomination and Remuneration Committee

*As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.*

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated June 12, 2023. The Nomination and Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Ananthavally Raghavan Satheesh	Chairman	Independent Director
Reji Zachariah	Member	Independent Director
Tracy Tulassne Caesar	Member	Independent Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

#### **Role of the Nomination and Remuneration Committee**

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with rules framed thereunder.

Set forth below are the role of our Nomination and Remuneration Committee:

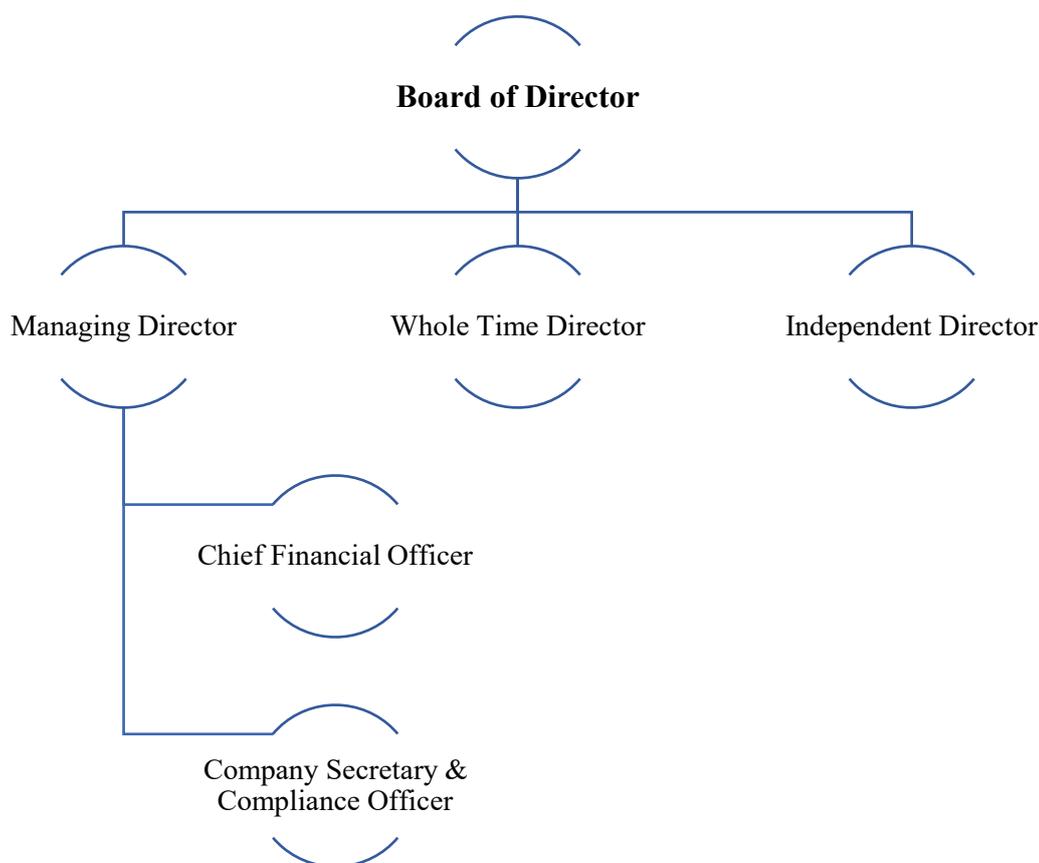
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, 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:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Committee shall meet at least once in a financial year and quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

❖ **Corporate Social Responsibility Committee:**

*As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.*

The Corporate Social Responsibility committee is not applicable to our company till the date of this prospectus. We will comply with the requirement as and when the CSR is applicable to us.

**MANAGEMENT ORGANIZATIONAL STRUCTURE:**

**OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

The details of the Key Managerial Personnel and Senior Management as on the date of this prospectus are set out below. All the Key Managerial Personnel and Senior Management are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel and Senior Management.

1. **Mr. Jolly Cyriac** is the Managing Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
2. **Mr. Ishach Sainuddin** is the Whole Time Director and Chief Financial Officer of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
3. **Mrs. Jaya Jolly** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
4. **Mr. Gopala Kurup Unnikrishna Kurup** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
5. **Mr. Jayagosh Unni Srmbikkal** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
6. **Mr. Vellachalil Ramakrishnan Sanjaykumar** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
7. **Mr. Abdul Rasheed Aledath Kochunni** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.

8. **Mr. Jim Jose Punnackal Josey** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
9. **Mr. Lijo George** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
10. **Mr. Pottekkattu Muhammed Muhammedshafi** is the Whole Time Director of our Company. For details, please refer section titled **“Our Management”** beginning at page no 153 of this Prospectus.
11. **Ms. Vallath Parvathy**, aged 31 years, is the Company Secretary and Compliance Officer of our Company since September 29, 2022. She holds a bachelor’s degree in Commerce from Calicut University in the year 2012. She is a qualified company secretary and Associate Member of the Institute of Company Secretaries of India since 2017 and has more than 5 years of experience in handling secretarial matters. Prior to joining our company, she has worked as Company Secretary in several companies i.e. Smart Township Private Limited, Koduvally Institute of Medical Sciences Private Limited and TCL Ceramics Limited.

#### STATUS OF KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT IN OUR COMPANY

All our key managerial personnel or Senior Management are permanent employees of our Company.

#### SHAREHOLDING OF KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT IN OUR COMPANY

The details of the shareholding of our Key Management Personnel and Senior Management as on the date of this prospectus are as follows: -

Sl. No.	Name of the Director Shareholder	Category/ Status	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Jolly Cyriac	Managing Director	37,00,800	51.40%	36.82%
2	Ishach Sainuddin	Whole Time Director & Chief Financial Officer	25,84,800	35.90%	25.72%
3	Jaya Jolly	Whole Time Director	3,600	0.05%	0.04%

#### BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Except as mentioned above, our Company does not have a performance linked bonus or a profit-sharing plan for the Key Management Personnel or Senior Management. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel of our Company.

#### INTERESTS OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT

Except as mentioned above in this prospectus, the Key Management Personnel or Senior Management do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

#### PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except as disclosed in this prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled **“Financial Information as Restated”** beginning on page no 188 of this prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

## RELATIONSHIP AMONGST THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT OF OUR COMPANY

Name of KMP & Designation	Name of other KMP & Designation	Relation
Mr. Jolly Cyriac – Managing Director	Mrs. Jaya Jolly – Wholetime Director	Spouse

## RELATIONSHIP BETWEEN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Name of Director & Designation	Name of the KMP & Designation	Relation
Mr. Jolly Cyriac – Managing Director	Mrs. Jaya Jolly – Wholetime Director	Spouse

## ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/ SUPPLIERS

None of the above Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

## DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Except for the terms set forth in the appointment letters, the Key Managerial Personnel or Senior Management have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

## EMPLOYEE STOCK OPTION OR EMPLOYEE STOCK PURCHASE

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this prospectus.

## LOANS AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT OF OUR COMPANY

None of the Directors or Key Managerial Personnels or Senior Management have availed loan from our Company which is outstanding as on the date of this prospectus.

## CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT DURING THE LAST THREE (3) YEARS

The changes in the Key Managerial Personnel or Senior Management of our Company in the last three (3) years are as follows:

Name	Date	Designation	Reason
Gopala Kurup Unnikrishna Kurup	17-08-2021	Additional Non-Executive Director	Appointment
	17-08-2021	Whole Time Director	Change of Designation
Jayagosh Unni Srambikkal	17-08-2021	Additional Non-Executive Director	Appointment
	17-08-2021	Whole Time Director	Change of Designation
Lijo George	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Vellachalil Ramakrishnan Sanjaykumar	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Jim Jose Punnackal Josey	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Pottekkattu Muhammed Muhammedshafi	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Abdul Rasheed Aledath Kochunni	02-12-2021	Additional Non-Executive Director	Appointment
	01-02-2022	Whole Time Director	Change of Designation
Jaya Jolly	26-09-2022	Whole Time Director	Appointment
Ishach Sainuddin	31-01-2023	Chief Financial Officer	Appointment
Vallath Parvathy	29-09-2022	Company Secretary	Appointment

## OUR PROMOTERS AND PROMOTER GROUP

### 1. Our Promoters:

The Promoters of our Company are (i) **Mr. Jolly Cyriac** and (ii) **Mr. Ishach Sainuddin**.

As on the date of this prospectus, our Promoters jointly hold 62,85,600 Equity Shares which in aggregate, almost constitutes 87.30% of the pre issued paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure*", on page 60 of this Prospectus.

#### (i) Details of Individual Promoters of our Company

	<p><b>Mr. Jolly Cyriac</b>, aged 58 years, is the Promoter and Managing Director of the company. For further personal details, please also refer to section titled "<i>Our Management</i>" beginning on page 153 of this prospectus.</p>
<b>Name of Promoter</b>	Jolly Cyriac
<b>Father's Name</b>	Chennoth Lucka Cyriac
<b>Date of Birth</b>	30-05-1965
<b>Age</b>	58 years
<b>Qualification</b>	<input type="checkbox"/> Bachelor of Technology (Mechanical) from University of Kerala <input type="checkbox"/> Master of Science by Research (Entrepreneurship) from Indian Institute of Technology, Madras
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Kakkattuchira, Friends Valley, Thrikkakkara P O, Vadacode, Ernakulam-682021, Kerala, India
<b>DIN</b>	00409364
<b>PAN</b>	ACTPC9320N
<b>Directorship in other companies</b>	Nil
<b>Other Ventures</b>	Nil

	<p><b>Mr. Ishach Sainuddin</b>, aged 57 years, is the Promoter and Whole Time Director of the company. For further personal details, please also refer to section titled <i>“Our Management”</i> beginning on page 153 of this prospectus.</p>
<b>Name of Promoter</b>	Ishach Sainuddin
<b>Father’s Name</b>	Late Sainuddin Mohamed
<b>Date of Birth</b>	28-04-1966
<b>Age</b>	57 years
<b>Qualification</b>	<input type="checkbox"/> Bachelor of Technology (Mechanical) from University of Kerala
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Thenguvila, 7/633 H Friends Valley Seaport Air Port Road, Thrikkakara PO, Vadacode, Ernakulam-682021, Kerala, India
<b>DIN</b>	00409402
<b>PAN</b>	AMFPS9524E
<b>Directorship in other companies</b>	Nil
<b>Other Ventures</b>	Nil

*Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport number, Aadhaar card number and driving license number of our Promoters to NSE separately at the time of filing the prospectus.*

**(ii) Details of Body Corporate Promoters of our Company:**

We don’t have any Body Corporate Promoters.

**CHANGE IN THE MANAGEMENT AND 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 titled *“Our Management”* beginning on page 153 of this Prospectus.

## INTERESTS OF OUR PROMOTERS

### ***Interest in the Promotions of our Company:***

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their respective equity shareholding in our Company and any dividend distribution that may be made by our Company with respect to their equity shares in the future. For details pertaining to our Promoter's shareholding, please refer to chapter titled "***Capital Structure***" beginning on page 60 of this Prospectus.

### ***Interest in the property of our Company:***

Except as given in the chapter titled "***Our Business***" beginning on page 107 of this Prospectus, our Promoters or Group Company do not have any interest in any property acquired by our Company in the preceding three (3) years of the date of this Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

### ***Interest as Member of our Company:***

As on the date of this Prospectus, our Promoter and Promoter Group collectively hold 63,00,000 equity shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled "***Our Management***" in that Remuneration details of our Directors on page 153 of this Prospectus, our Promoter does not hold any other interest in our Company.

### ***Interest in transactions for acquisition of land, construction of building and supply of machinery:***

None of our Promoters or Directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

### ***Interest of Promoters in Sales and Purchases:***

There are no sales/purchases between our Company and our Group Company other than as stated in the section titled "***Financial Information – Related Party Transactions***" beginning on page no. 218 of this prospectus.

### ***Other Interests in our Company:***

For transactions in respect of loans and other monetary transactions entered in past please refer "***Financial Information – Related Party Transactions***" beginning on page no. 218 of this prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company. For the details of Personal Guarantee given by Promoters towards Financial facilities availed by our Company, please refer to "***Financial Indebtedness***" and "***Financial Statement as Restated***" on page 220 and 188 respectively of this Prospectus.

Except as disclosed in this prospectus, our Promoters 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 other than in the normal course of business.

### ***Confirmations:***

Our Company hereby confirms that:

- None of our Promoters or Directors have been declared as a wilful defaulter or fraudulent borrower or is a fugitive economic offender.
- Neither our Company nor our Promoters, Promoter Group and Directors our Company are debarred from accessing the Capital Market by SEBI
- None of the promoters or directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

## PAYMENT OR BENEFITS TO THE PROMOTERS IN THE LAST TWO (2) YEARS

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled "***Financial Information – Related Party Transactions***" beginning on page no. 218 of this prospectus.

### LITIGATION DETAILS PERTAINING TO OUR PROMOTERS

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled “*Outstanding Litigations and Material Developments*” beginning on page no. 231 of this prospectus.

### DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

Except as mentioned below, none of our Promoters have disassociated themselves from any of the entities in the last three years.

Name of Promoter	Name of the Entity	Date of Disassociation	Reason
Jolly Cyriac	Greentreat Machines Private Limited	16-03-2023	Resignation u/s 168

### MATERIAL GUARANTEES PROVIDED BY OUR PROMOTERS

Except as stated in the chapter titled “*Financial Indebtedness*” beginning on page 220 of this Prospectus, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on 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 titled “*Our Management*” beginning on page 153 of this Prospectus.

### COMMON PURSUITS OF PROMOTERS AND PROMOTER GROUP COMPANIES

As on the date of this Prospectus, none of our Promoters and Promoter Group Companies have any common pursuits.

## 1. Our Promoter Groups:

In compliance with SEBI Guideline, “**Promoter Group**” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

### A) Promoter

As per Regulation 2(1)(pp)(i) of the SEBI ICDR Regulations, the following are the Promoters:

- Jolly Cyriac
- Ishach Sainuddin

### B) Natural persons forming part of Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Name of the Promoters	
	Jolly Cyriac	Ishach Sainuddin
<b>Father</b>	Chennoth Lucka Cyriac	Late Muhamad Thenguvila Sainuddin
<b>Mother</b>	Kuttiyamma Cyriac	Late Latheefa Sainuddin
<b>Brother</b>	Jose Cyriac, Joshy Cyriac, Joby Cyriac, Johny Cyriac	Iqbal Sainuddin, Ilyas Sainuddin, Rafi Sainuddin
<b>Sister</b>	Annie Joseph, Jessy Cyriac, Jaiby Cyriac	Ruby Sainuddin
<b>Spouse</b>	Jaya Jolly	Fabi M M
<b>Son</b>	Vijay Jolly, Vineeth Jolly	N.A.
<b>Daughter</b>	N.A.	Serena Ishach, Saniya Ishach
<b>Spouse’s Father</b>	George Joseph Anthraper	M.A.M Shajahan
<b>Spouse’s Mother</b>	Thankamma George	Thankam Abdul Hameed Khan
<b>Spouse’s Brother</b>	Jose George Anthraper	M. M Faizal Khan, Firoz M.M
<b>Spouse’s Sister</b>	Priya Jomon	N.A.

\*NA means Not Applicable

### C) Entities forming part of 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.

#### Private Limited Company

- Greentreat Machines Private Limited
- Crystal Dairy Private Limited (Company owned by relative of Promoters)
- IHITS Technologies Private Limited (Company owned by relative of Promoters)
- SL Soft and Legal Private Limited (Company owned by relative of Promoters)

#### Partnership Firm

- M/s. Cyriac and Cyriac, Legal Firm (Brothers of Promoter are partners)

#### Proprietorship Firm

- M/s. Footwear Shop (Owned by relative of Promoters)
- M/s. Labqi Granites (Owned by relative of Promoters)

### D) All persons whose shareholding is aggregated pursuant to Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations for the purpose of disclosing in the Prospectus under the heading “shareholding of the promoter group”:

- Jaya Jolly
- Fabi M M
- Vineeth Jolly
- Vijay Jolly
- Serena Ishach
- Saniya Ishach

## GROUP COMPANIES OF OUR COMPANY

In terms of the SEBI ICDR Regulations, the term “Group Company” includes such companies (other than Promoters and subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements, as covered under the applicable accounting standards, and also other companies as considered material by our Board. Pursuant to a resolution dated May 23, 2023, our Board has noted that in accordance with the SEBI ICDR Regulations and for the purpose of disclosure in this Prospectus, group companies of our Company shall include (i) the companies with which there were related party transactions as disclosed in the Restated Financial Statements; and (ii) such other company as deemed material by our Board. For the purposes of (ii) above, in terms of the materiality policy, a company shall be considered material and disclosed as a group company if the companies which are members of the Promoter Group of our Company and with which there were transactions in the most recent financial year and any stub period for which restated audited financial statements are included in the Offer Documents, which individually or in the aggregate, exceed 10% of the total restated revenue or 10% of total net worth of our Company for the latest restated annual financial statements.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Prospectus.

## RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this prospectus i.e., for the financial year ended on 31st March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 please refer to Section titled, “*Financial Information - Related Party Transactions*”, beginning on page 218 of this prospectus.

## DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

The dividend declared by our Company on the Equity Shares in each of the last five fiscal years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 are given below:

Particulars	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Face Value per share	10.00	10.00	10.00	10.00	10.00
Dividend per share	0.30	10.00	10.00	7.50	6.00
Dividend amount in total	₹ 21,60,000/- (Interim Dividend)	₹ 20,00,000 (Final Dividend)	₹ 20,00,000/- (Interim Dividend)	₹ 15,00,000/- (Interim Dividend)	₹ 12,00,000/- (Interim Dividend)

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any in the future.

## SECTION IX: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS AS RESTATED

#### Independent Auditor's Examination report on Restated Financial Information of HOLMARC OPTO-MECHATRONICS LIMITED

To,  
The Board of Directors  
HOLMARC OPTO-MECHATRONICS LIMITED  
H.M.T. INDUSTRIAL ESTATE  
KALAMASSEREY, COCHIN -683503.

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Holmarc Opto-Mechatronics Limited** (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, 2022 and 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period ended March 31, 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "**Restated Financial Information**" or "**Restated Financial Statement**"), as approved by the Board of Directors of the Company at their meeting held on August 2, 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 EMERGE platform of National Stock Exchange of India 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**"), Registrar of Companies-Kerala ("**ROC**") and EMERGE Platform of NSE ("**the Stock Exchange**") in connection with the proposed SME IPO. The Restated Financial Information have been 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 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 December 01, 2022 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2023, March 31, 2022, and March 31, 2021, which has been approved by the Board of Directors.
- a) We “**G Joseph & Associates**” having FRN No: 006310S have audited the financial statements of the company as at and for the period ended on March 31, 2023 prepared by the company in accordance with Indian Accounting Standard (Indian GAAP). We have issued our report dated May 23, 2023 on this Financial Statement which have been approved by the Board of Directors at their meeting held on May 23, 2023.
  - b) Audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Indian Accounting Standards (Indian GAAP) have been signed by previous auditor “**Joseph and Co.**” having FRN No: 012843s and approved by the Board of Directors at their meeting held on 17/08/2022 and 15/10/2021 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors’ reports issued by us dated May 23, 2023 as at and for the period ended on March 31, 2023 as referred in Paragraph 5(a) above.
  - b) Auditors’ Report issued by previous auditor dated 17/08/2022, and 15/10/2021 on the financial statements of the company as at and for the years ended March 31, 2022 and March 31, 2021, as referred in Paragraph 5(b) above.
- The audits for the financial years ended March 31, 2022 and March 31, 2021 were conducted by the Company’s previous auditors, **Joseph and Co.**, Chartered Accountants, (the “Previous Auditors”), and accordingly reliance has been placed on the restated statement of assets and liabilities, the restated statements of profit and loss, and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information examined by them 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 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 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. These 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 Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

- f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
- g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the period ended on March 31, 2023, March 31, 2022 and March 31,2021 which would require adjustments in this Restated Financial Statements of the Company;
- i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
- j) 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;
- k) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
- l) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- m) The company has declared dividend in the past. The details of dividend declared for last 3 financial years as covered in this Restatement Financial Statements are mentioned below:

Financial Years	Particulars
FY 2020-21	Interim Dividend of Rs. 20.00 Lakhs @ Rs. 10/- per share declared by the Board of Directors on 24/09/2021
FY 2021-22	Final Dividend of Rs. 20.00 Lakhs @ Rs. 10/- per share declared in the AGM held on 26/09/2022.
FY 2022-23	Interim Dividend of Rs. 21.60 Lakhs @ Rs. 0.30/- per share declared by the Board of Directors on 29/04/2023 i.e., after the Balance sheet period, but before signing of this report.

- n) The Company has allotted 70,00,000 Equity Shares as a Bonus Share in the ratio 35:1 i.e., Thirty-Five Equity Shares for every one fully paid-up equity shares held by existing shareholders in FY 2022-23.
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
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Long-Term Provisions
I.6	Restated Statement of Short-Term Borrowings
I.7	Restated Statement of Trade Payable
I.8	Restated Statement of Other Current Liabilities
I.9	Restated Statement of Short-Term Provisions
I.10	Restated Statement of Fixed Assets & Depreciations
I.11	Restated Statement of Non-Current Investment

<b>Annexure No.</b>	<b>Particulars</b>
I.12	Restated Statement of Other Non-Current Assets
I.13	Restated Statement of Inventories
I.14	Restated Statement of Trade Receivable
I.15	Restated Statement of Cash & Cash Equivalent
I.16	Restated Statement of Short-Term Loans and Advances
I.17	Restated Statement of Other Current Assets
<b>II</b>	<b>Restated Statement of Profit &amp; Loss</b>
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Changes in Inventories
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Other Expenses
II.7	Restated Statement of Financial Charges
II.8	Restated Statement of Extraordinary Items
II.9	Restated Statement of Provision for Taxation
II.10	Restated Statement of Earnings per equity share
II.11	Restated Statement of Earnings in foreign exchange (on accrual basis)
II.12	Restated Statement of Value of import on CIF basis
II.13	Restated Statement of Value of imported and indigenous raw materials, spare parts and components consumed
II.14	Restated Statement of Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006
II.15	Restated Statement of Commitments
II.16	Restated Statement of Other disclosures
II.17	Restated Statement of Retirement benefits
II.18	Restated Statement of Obligation towards non-cancellable operating lease
II.19	Restated Statement of Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)
II.20	Restated Statement of Financial Ratios
II.21	Restated Statement of Additional Regulatory Information
II.22	Restated Statement of Utilization of borrowed fund
II.23	Restated Statement of Undisclosed Income
II.24	Restated Statement of Details of Crypto Currency or Virtual Currency
<b>Other Annexures:</b>	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions

9. We, M/s. G Joseph & 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 29.02.2024.

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 or previous auditor, 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, the stock exchanges and Registrar of Companies, Kerala in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For G Joseph & Associates**  
**Chartered Accountants**  
**Firm Reg. No: (FRN 006310S)**  
**PRC No: 012867**

Sd/-

**Allen Joseph**  
**Partner**  
**M No. 228498**

**Place: Kochi**

**Date: August 02, 2023**

**UDIN: 23228498BGXRAT2136**

**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

in Inr '00,000

Particulars	Note No.	As on		
		31-Mar-23	31-Mar-22	31-Mar-21
<b>Equity &amp; Liabilities</b>				
<b>1. Shareholders Fund</b>				
a) Share capital	I.1	720.00	20.00	20.00
b) Reserves and surplus	I.2	439.93	803.80	668.60
<b>Total Shareholder's Fund</b>		<b>1,159.93</b>	<b>823.80</b>	<b>688.60</b>
<b>2. Non Current Liabilities</b>				
a) Long Term Borrowings	I.3	99.83	128.64	38.39
b) Deferred Tax Liability	I.4	-	-	-
c) Long Term Provisions	I.5	138.67	258.68	246.38
<b>Total Non Current Liabilities</b>		<b>238.51</b>	<b>387.32</b>	<b>284.78</b>
<b>3. Current Liabilities</b>				
a) Short Term Borrowings	I.6	33.85	77.73	127.87
b) Trade Payables	I.7	40.24	28.33	37.35
c) Other Current Liabilities	I.8	122.79	112.32	84.86
d) Short Term Provisions	I.9	63.53	37.82	23.72
<b>Total Current Liabilities</b>		<b>260.42</b>	<b>256.20</b>	<b>273.80</b>
<b>Total Equity &amp; Liability</b>		<b>1,658.86</b>	<b>1,467.32</b>	<b>1,247.18</b>
<b>Asset</b>				
<b>4. Non-Current Assets</b>				
a) Property Plant and Equipments and Intangible Assets				
- Property Plant and Equipments		484.75	542.76	408.93
- Intangible Assets	I.10	0.17	0.40	0.40
- Work-In-Progress		-	-	-
<b>Total Property Plant and Equipments and Intangible Assets</b>		<b>484.92</b>	<b>543.16</b>	<b>409.33</b>
b) Non - current Investments	I.11	29.73	29.73	25.03
c) Deferred Tax Assets (Net)	I.4	52.35	70.38	67.10
d) Other Non- current Assets	I.12	16.37	15.66	31.50
<b>Total Non Current Assets</b>		<b>583.37</b>	<b>658.94</b>	<b>532.96</b>
<b>5. Current assets</b>				
a) Inventories	I.13	210.91	160.10	100.33
b) Trade Receivables	I.14	612.81	459.34	508.21
c) Cash and Cash Equivalents	I.15	227.60	158.98	80.67
d) Short Term Loans and advances	I.16	10.78	13.40	16.15
e) Other Current Assets	I.17	13.39	16.56	8.86
<b>Total Current Assets</b>		<b>1,075.49</b>	<b>808.38</b>	<b>714.23</b>
<b>Total Assets</b>		<b>1,658.86</b>	<b>1,467.32</b>	<b>1,247.18</b>

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

**ANNEXURE - II  
STATEMENT OF PROFIT & LOSS, AS RESTATED**

in Inr '00,000

Particulars	Note No.	For the Year ended on		
		31-Mar-23	31-Mar-22	31-Mar-21
<b>Income</b>				
Revenue from Operations	II.1	2,903.67	2,102.34	1,553.06
Other Income	II.2	14.77	15.50	20.28
<b>Total Revenue</b>		<b>2,918.44</b>	<b>2,117.84</b>	<b>1,573.34</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	792.70	502.04	364.93
Change in Inventories	II.4	(74.89)	11.57	(48.64)
Employee Benefit Expenses	II.5	1,222.95	991.07	838.34
Other Expenses	II.6	461.11	311.95	252.75
<b>Total Expenses</b>		<b>2,401.88</b>	<b>1,816.63</b>	<b>1,407.39</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>516.56</b>	<b>301.21</b>	<b>165.95</b>
Depreciation & Amortisation Expenses	I.10	84.99	63.74	54.04
<b>Profit Before Interest and Tax</b>		<b>431.57</b>	<b>237.47</b>	<b>111.91</b>
Financial Charges	II.7	23.92	16.22	12.40
<b>Profit before Taxation</b>		<b>407.65</b>	<b>221.25</b>	<b>99.51</b>
Extraordinary Items	II.8	73.84	-	(2.19)
<b>Profit before Taxation but after Extraordinary items</b>		<b>481.49</b>	<b>221.25</b>	<b>97.32</b>
Provision for Taxation	II.9	107.32	69.34	45.67
Provision for Deferred Tax		18.03	(3.29)	(17.15)
<b>Total</b>		<b>125.35</b>	<b>66.06</b>	<b>28.52</b>
<b>Net Profit after adjustments</b>		<b>356.14</b>	<b>155.19</b>	<b>68.80</b>

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

<b>Earning per Equity share : (10/- each)</b>	II.10			
1. Basic		4.95	77.60	34.40
2. Diluted after Bonus		4.95	2.16	0.96
<b>Number of shares used in computing per share</b>				
1. Basic		72,00,000	2,00,000	2,00,000
2. Diluted after Bonus		72,00,000	72,00,000	72,00,000

**ANNEXURE - III**  
**STATEMENT OF CASH FLOW, AS RESTATED**

in Inr '00,000

PARTICULARS	For the Year ended on		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	481.49	221.25	97.32
Adjusted for :			
a. Depreciation	84.99	63.74	54.04
b. Interest Expenses & Finance Cost	23.92	16.22	12.40
c. Other Adjustments	-	-	-
d. Interest & Other Income	(6.81)	(2.51)	(3.14)
e. Long term provision	(120.01)	12.30	63.93
<b>Operating profit before working capital changes</b>	<b>463.59</b>	<b>311.00</b>	<b>224.54</b>
Adjusted for :			
a. Decrease /(Increase) in Inventories	(50.81)	(59.76)	(24.12)
b. Decrease / ( Increase ) in trade receivable	(153.48)	48.87	(96.74)
c. Decrease / ( Increase ) in Current Investments	-	-	-
d. ( Increase ) / Decrease in short term loans and advances	2.62	2.75	1.52
e. Increase / ( Decrease ) in Trade Payables	11.91	(9.02)	(4.39)
f. Increase / (Decrease) in short term provisions	25.72	14.09	(11.40)
g. Increase / ( Decrease ) in other current liabilities	10.47	27.46	(32.76)
h. ( Increase ) / Decrease in Other Current Assets	3.18	(7.70)	30.13
<b>Cash generated from operations</b>	<b>313.19</b>	<b>327.68</b>	<b>86.79</b>
Net Income Tax (Paid)/Refund	(107.32)	(69.34)	(45.67)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>205.88</b>	<b>258.34</b>	<b>41.12</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. (Purchase) Sale of Fixed Assets	(26.75)	(197.58)	(44.95)
b. (Purchase) / Sale of non-current investment	-	(4.71)	(17.27)
c. ( Increase ) / Decrease in Other Non Current Assets	(0.71)	15.84	4.88
d. Interest & Other Income	6.81	2.51	3.14
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(20.64)</b>	<b>(183.93)</b>	<b>(54.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest & Finance Cost	(23.92)	(16.22)	(12.40)
b. Dividend Paid	(20.00)	(20.00)	-
c. Proceeds from share issued including Premium	-	-	-
d. ( Repayments ) / proceeds of long term borrowings	(28.81)	90.25	12.01
e. ( Repayments ) / proceeds of short term borrowings	(43.87)	(50.14)	48.85
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>(116.61)</b>	<b>3.90</b>	<b>48.46</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>68.62</b>	<b>78.30</b>	<b>35.38</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>158.98</b>	<b>80.67</b>	<b>45.29</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>227.60</b>	<b>158.98</b>	<b>80.67</b>

**I.1 Restated Statement of Share Capital**

a) Particulars	31-03-2023	31-03-2022	31-03-2021
<b>Authorised Capital</b>			
1,20,00,000 Equity shares of ₹10/- each (Previous year - 2,00,000 shares of ₹ 10 each)	1,200.00	20.00	20.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
72,00,000 Equity shares of ₹10/- each (Previous year - 2,00,000 shares of ₹ 10 each)	720.00	20.00	20.00

**Note:**

The Company has only one class of equity shares of par value ₹10/- each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.

**b) Reconciliation of No. of Shares Outstanding at the end of the year***(No. of Equity Shares)*

Particulars	31-03-2023	31-03-2022	31-03-2021
Shares outstanding at the beginning of the year	2,00,000	2,00,000	2,00,000
Shares issued during the year	-	-	-
Bonus Issued during the year	70,00,000	-	-
<b>Share outstanding at the end of the year</b>	<b>72,00,000</b>	<b>2,00,000</b>	<b>2,00,000</b>

**c) Details of Shareholding more than 5% of the aggregate shares in the company**

Particulars	31-03-2023	31-03-2022	31-03-2021
<b>Jolly Cyriac</b>			
No. of Shares	37,00,800	1,02,900	1,03,000
% Holding	51.40%	51.45%	51.50%
<b>Ishach. S</b>			
No. of Shares	25,84,800	72,000	72,000
% Holding	35.90%	36.00%	36.00%

**d) Shares held by promoters at the end of the year**

Promoter name	No. of Shares		
Jolly Cyriac	37,00,800	1,02,900	1,03,000
Ishach. S	25,84,800	72,000	72,000
Promoter name	% of share		
Jolly Cyriac	51.40%	51.45%	51.50%
Ishach. S	35.90%	36.00%	36.00%
Promoter name	% change during year		
Jolly Cyriac	-0.05%	-0.05%	0.00%
Ishach. S	-0.10%	0.00%	0.00%

**I.2 Restated Statement of Reserve & Surplus***(Amount in '00,000)*

Particulars	31-03-2023	31-03-2022	31-03-2021
<b>Statement of Profit &amp; Loss</b>			
Opening balance	801.04	665.85	597.05
Add: Profit for the year	356.14	155.19	68.80
<b>Total</b>	<b>1,157.18</b>	<b>821.04</b>	<b>665.85</b>
Less: Utilised for Bonus Issue	700.00	-	-
Less: Dividend Paid	20.00	20.00	-
<b>Balance as at the end of the year</b>	<b>437.18</b>	<b>801.04</b>	<b>665.85</b>
<b>Capital Reserves</b>	<b>2.75</b>	<b>2.75</b>	<b>2.75</b>
	2.75	2.75	2.75
<b>Total Reserve &amp; Surplus</b>	<b>439.93</b>	<b>803.80</b>	<b>668.60</b>

**I.3 Restated Statement of Long Term Borrowings**

Particulars	Non Current Portion		
	31-03-2023	31-03-2022	31-03-2021
<b>Secured Loans from Bank/FIs</b>			
Canara Bank 170002829489 - Term Loan	74.39	89.29	-
Canara Bank - 170002369836 - GECL	12.92	15.00	
Canara Bank - 2339755000057-Term Loan	2.97	7.34	11.95
Canara Bank -2339753000013 - Term Loan			2.08
Vehicle Loans from Kotak Mahindra Prime Ltd	9.56	17.02	24.36
<b>Total</b>	<b>99.83</b>	<b>128.64</b>	<b>38.39</b>
Particulars	Current Portion		
	31-03-2023	31-03-2022	31-03-2021
<b>Secured Loans from Bank/FIs</b>			
Seimens Financial Services	-	-	16.72
Canara Bank 170002829489 - Term Loan	18.18	19.49	-
Canara Bank - 170002369836 - GECL	2.08	-	
Canara Bank - 2339755000057-Term Loan	4.57	5.00	3.05
Canara Bank -2339753000013 - Term Loan	-	2.08	5.00
Vehicle Loans from Kotak Mahindra Prime Ltd	7.75	7.11	6.52
<b>Total</b>	<b>32.58</b>	<b>33.68</b>	<b>31.28</b>

**Notes****I. Canara Bank Limited**

a) The loan availed (Account No.170002829489) is repayable in 60 equal monthly instalment of Rs. 2,57,563 each till 15-Dec-2026, carrying interest rate of 9.7%. The loan is secured by hypothecation of Plant and machinery acquired utilizing the loan amount.

b) The loan availed (Account No.170002369836) is repayable in 60 equal monthly instalments of Rs. 41,667 each till 25-Nov-2026, carrying interest rate of 7.5%. This loan is secured by hypothecation of Stock and Book debts

c) The loan availed (Account No. 2339755000057) is repayable in 60 monthly instalments of Rs. 47,538 each till 4-Aug-2026, carrying interest rate of 7.5%. This loan is secured by hypothecation of stock and book debts

d) The loan availed (Account No. 2339753000013) is repayable in 24 monthly principal instalments of 41,667 each till 27-Aug-2022, carrying interest rate of 7.5%. This loan is secured by hypothecation of Stocks and books debts

**II. Siemens Financial Service Private Limited**

a) The loan availed is repayable in 48 monthly instalments of Rs. 1,92,00 till 21-Dec-2021, carrying interest rate of 8%. This loan is secured by hypothecation of Plant and machinery

**III. Kotak Mahindra Prime Ltd - Vehicle Loan**

a) The loan availed CF-17090022) is repayable in roughly 60 instalments of 30,989 each till 5-April-2024, carrying interest rate of 8.16%, this loan is secured by the way of hypothecation of vehicle.

b) The loan availed (CF-18840463) is repayable in roughly 60 instalments of 42,711 each till 1-Feb-2026, carrying interest rate of 6.25%, this loan is secured by the way of hypothecation of vehicle.

**I.4 Restated Statement of Deferred Tax Liabilities/Assets**

Particulars	31-03-2023	31-03-2022	31-03-2021
<b>Deferred Tax Assets/Liabilities Provision</b>			
Depreciation As Per Companies Act 2013	84.99	63.74	54.04
Depreciation As Per Income tax Act	73.43	62.98	49.83
Difference in WDV	(11.56)	(0.76)	(4.22)
Gratuity Provision As Per Companies Act 2013	(19.43)	60.90	78.93
Gratuity Paid	61.50	48.61	15.00
Difference in Provision	80.93	(12.30)	(63.93)
Other adjustments		0.42	
<b>(DTA)/DTL</b>	<b>18.03</b>	<b>(3.29)</b>	<b>(17.15)</b>
<b>Deferred Tax Assets Provision</b>			
Opening Balance of (DTA)/DTL	(70.38)	(67.10)	(49.95)
Add: Provision for the year	18.03	(3.29)	(17.15)
<b>Closing Balance of (DTA)/DTL</b>	<b>(52.35)</b>	<b>(70.38)</b>	<b>(67.10)</b>

**I.5 Restated Statement of Provisions**

Particulars	Non current Portion		
	31-03-2023	31-03-2022	31-03-2021
Provision for Gratuity	138.67	258.68	246.38
Provision for Income Tax (Net of tax paid in advance)	-	-	-
<b>Total</b>	<b>138.67</b>	<b>258.68</b>	<b>246.38</b>
Particulars	Current Portion		
	31-03-2023	31-03-2022	31-03-2021
Provision for Gratuity	39.08	-	-
Provision for Income Tax (Net of tax paid in advance)	24.45	37.82	23.72
<b>Total</b>	<b>63.53</b>	<b>37.82</b>	<b>23.72</b>

**I.6 Restated Statement of Short Term Borrowings**

Particulars	31-03-2023	31-03-2022	31-03-2021
Loan from Bank Repayable on demand Canara Bank			
-Overdraft	-	40.92	94.26
-Credit Card	1.27	3.13	2.32
Current maturities of long-term debt	32.58	33.68	31.28
<b>Total</b>	<b>33.85</b>	<b>77.73</b>	<b>127.87</b>

**Notes :****a) Overdraft facility from Canara Bank Limited**

Overdraft facility sanctioned to the tune of Rs. 150,00,000 from Canara Bank is secured by way of charge on the stock and book debts of the company. This facility carries an interest rate of RLLR 6.90+2.40 %

**b) Credit card facility from Canara Bank Limited**

Credit facility sanctioned to the tune of Rs. 2,00,000 from Canara Bank is secured by way of charge on the stock and book debts of the company. This facility carries an interest rate of I-MCLR-6M+1 % i.e presently 8.25% per annum.

**Note no : I.7 on trade payables has been set out as a separate sheet**

**I.8 Restated Statement of Other Current Liabilities**

Particulars	31-03-2023	31-03-2022	31-03-2021
Income Received in Advance	56.50	62.32	55.68
Audit Fees Payable	5.25	1.80	1.62
Statutory Dues Payable	34.40	28.81	23.61
Salary & Wages Payable	26.64	19.39	2.81
Rent Payable	-	-	1.15
<b>Total</b>	<b>122.79</b>	<b>112.32</b>	<b>84.86</b>

**I.9 Restated Statement of Short Term Provision**

Particulars	31-03-2023	31-03-2022	31-03-2021
Provision for gratuity	39.08	-	-
Provision for Income Tax Current Year	24.45	37.82	23.72
<b>Total</b>	<b>63.53</b>	<b>37.82</b>	<b>23.72</b>

**I.10 Restated Statement of Property Plant and Equipments and Intangible Assets**

Particulars	31-03-2023	31-03-2022	31-03-2021
<b>Property Plant and Equipments</b>			
<i>Building</i>			
Gross Block - Opening Balance	401.66	401.66	397.68
Addition/Sale during the year	-	-	3.97
<b>Gross Block - Closing Balance</b>	<b>401.66</b>	<b>401.66</b>	<b>401.66</b>
Accumulated Depreciation - Opening Balance	152.51	125.95	96.88
Depreciation during the year	23.94	26.56	29.07
<b>Accumulated Depreciation - Closing Balance</b>	<b>176.46</b>	<b>152.51</b>	<b>125.95</b>
<i>Net Block</i>	<b>225.20</b>	<b>249.14</b>	<b>275.70</b>

**Plant and Equipment**

Gross Block - Opening Balance	480.82	292.20	276.45
Addition/Sale during the year	13.10	188.61	15.76
<b>Gross Block - Closing Balance</b>	<b>493.92</b>	<b>480.82</b>	<b>292.20</b>
Accumulated Depreciation - Opening Balance	227.61	202.23	184.91
Depreciation during the year	47.00	25.38	17.31
<b>Accumulated Depreciation - Closing Balance</b>	<b>274.61</b>	<b>227.61</b>	<b>202.23</b>
<b>Net Block</b>	<b>219.31</b>	<b>253.21</b>	<b>89.98</b>

**Furniture & Fittings**

Gross Block - Opening Balance	36.80	35.67	35.45
Addition/Sale during the year	6.87	1.13	0.21
<b>Gross Block - Closing Balance</b>	<b>43.67</b>	<b>36.80</b>	<b>35.67</b>
Accumulated Depreciation - Opening Balance	31.99	30.79	28.43
Depreciation during the year	1.64	1.20	2.36
<b>Accumulated Depreciation - Closing Balance</b>	<b>33.63</b>	<b>31.99</b>	<b>30.79</b>
<b>Net Block</b>	<b>10.04</b>	<b>4.80</b>	<b>4.88</b>

**Vehicles**

Gross Block - Opening Balance	64.90	64.90	42.05
Addition/Sale during the year	-	-	22.85
<b>Gross Block - Closing Balance</b>	<b>64.90</b>	<b>64.90</b>	<b>64.90</b>
Accumulated Depreciation - Opening Balance	40.36	32.18	28.40
Depreciation during the year	6.06	8.18	3.78
<b>Accumulated Depreciation - Closing Balance</b>	<b>46.42</b>	<b>40.36</b>	<b>32.18</b>
<b>Net Block</b>	<b>18.48</b>	<b>24.55</b>	<b>32.73</b>

**Office Equipments**

Gross Block - Opening Balance	7.67	1.20	-
Addition/Sale during the year	3.19	6.47	-
<b>Gross Block - Closing Balance</b>	<b>10.86</b>	<b>7.67</b>	-
Accumulated Depreciation - Opening Balance	1.87	1.09	-
Depreciation during the year	3.86	0.78	-
<b>Accumulated Depreciation - Closing Balance</b>	<b>5.73</b>	<b>1.87</b>	-
<b>Net Block</b>	<b>5.13</b>	<b>5.80</b>	-

**Computers, Printers & Other Accessories**

Gross Block - Opening Balance	39.14	38.06	37.49
Addition/Sale during the year	3.59	1.09	1.77
<b>Gross Block - Closing Balance</b>	<b>42.73</b>	<b>39.14</b>	<b>39.26</b>
Accumulated Depreciation - Opening Balance	36.10	34.74	34.33
Depreciation during the year	2.26	1.36	1.50
<b>Accumulated Depreciation - Closing Balance</b>	<b>38.36</b>	<b>36.10</b>	<b>35.83</b>
<b>Net Block</b>	<b>4.37</b>	<b>3.05</b>	<b>3.43</b>

**Land**

Gross Block - Opening Balance	2.22	2.22	2.22
Addition/Sale during the year	-	-	-
<b>Gross Block - Closing Balance</b>	<b>2.22</b>	<b>2.22</b>	<b>2.22</b>
Accumulated Depreciation - Opening Balance	-	-	-
Depreciation during the year	-	-	-
<b>Accumulated Depreciation - Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Block</b>	<b>2.22</b>	<b>2.22</b>	<b>2.22</b>

**Total Net Block of Property Plant and Equipments**

<b>484.75</b>	<b>542.76</b>	<b>408.93</b>
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<b>B) Intangible Assets</b>			
Gross Block - Opening Balance	0.40	1.15	0.76
Addition/Sale during the year	-	0.27	0.38
<b>Gross Block - Closing Balance</b>	<b>0.40</b>	<b>1.42</b>	<b>1.15</b>
Accumulated Depreciation - Opening Balance	-	0.75	0.72
Depreciation during the year	0.23	0.27	0.03
<b>Accumulated Depreciation - Closing Balance</b>			
<b>Net Block</b>	<b>0.17</b>	<b>0.40</b>	<b>0.40</b>
<b>C) Work-In-Progress</b>			
Gross Block - Opening Balance	-	-	-
Addition/Sale during the year	-	-	-
<b>Gross Block - Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>484.92</b>	<b>543.16</b>	<b>409.33</b>
<b>I.11 Restated Statement of Non - current Investments</b>			
<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
<b>Trade Investments</b>			
Investments In Government Or Trust Security	0.01	0.01	0.01
<b>Other Investments</b>			
Investment In Equity Instrument -Greentreat	-	-	-
Investment in Chits of KSFE	29.72	29.72	25.02
<b>Total</b>	<b>29.73</b>	<b>29.73</b>	<b>25.03</b>
<b>I.12 Restated Statement of Other Non-current Assets</b>			
<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Security Deposits			
Unsecured, Considered Good	8.95	8.34	24.73
Rent Advance	7.42	7.32	6.77
<b>Total</b>	<b>16.37</b>	<b>15.66</b>	<b>31.50</b>
<b>I.13 Restated Statement of Inventories</b>			
<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Finished Goods	46.30	37.07	48.64
Work in progress	65.65	-	-
Raw materials	98.95	123.03	51.70
<b>Total</b>	<b>210.91</b>	<b>160.10</b>	<b>100.33</b>
<b>Note no : I.14 on Trade Receivables has been set out as a separate</b>			
<b>I.15 Restated Statement of Cash and Cash Equivalents</b>			
<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Cash In Hand	0.32	0.35	0.24
Balance With Bank (in Current Accounts)	47.46	6.17	7.97
Bank Deposit With More Than 12 Months Maturity	179.82	152.46	72.46
<b>Total</b>	<b>227.60</b>	<b>158.98</b>	<b>80.67</b>
<b>Notes :</b>			
Fixed Deposits subject to first charge to secure the Company's overdraft facility , all are receivable with in 12 months			
<b>I.16 Restated Statement of Short Term Loans and Advances</b>			
<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
<b>Loans and Advances</b>			
Advance To Suppliers And Contractors	10.73	12.79	15.14
Salary Advance	0.05	0.61	1.01
<b>Total</b>	<b>10.78</b>	<b>13.40</b>	<b>16.15</b>
<b>I.17 Restated Statement of Other Current Assets</b>			
<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
<b>Security Deposit</b>			
Deposit	1.26	1.50	1.50
Electrical Deposit	4.67	1.14	1.05
Rent Deposit	4.00	4.00	4.00
Sales Tax -Deposit	0.52	0.52	0.52
Classic Tooling - Deposit	1.04	2.50	-
EMD Deposit	1.02	0.88	0.88
<b>Amount Receivable from Governmental authorities</b>			
GST Deposit	-	5.69	-
TDS Refundable	0.87	0.33	0.33
GST Input Unclaimed	-	-	0.57
<b>Total</b>	<b>13.39</b>	<b>16.56</b>	<b>8.86</b>

in Inr '00,000

**I.14 Trade Receivables**

Particulars	31-03-2023	31-03-2022	31-03-2021
Secured & Considered Good		-	-
Unsecured & Considered Good	612.81	459.34	508.21
Unsecured & Considered Good		-	-
<b>Total</b>	<b>612.81</b>	<b>459.34</b>	<b>508.21</b>

**Trade Receivables ageing schedule as at 31 March 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	547.89	43.29	15.26	1.82	4.55	612.81
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>	<b>547.89</b>	<b>43.29</b>	<b>15.26</b>	<b>1.82</b>	<b>4.55</b>	<b>612.81</b>
Undue - considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	-	-	-
<b>Total</b>	<b>547.89</b>	<b>43.29</b>	<b>15.26</b>	<b>1.82</b>	<b>4.55</b>	<b>612.81</b>

**Trade Receivables ageing schedule as at 31 March 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	427.33	16.34	7.78	6.64	1.26	459.34
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>	<b>427.33</b>	<b>16.34</b>	<b>7.78</b>	<b>6.64</b>	<b>1.26</b>	<b>459.34</b>
Undue - considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	-	-	-
<b>Total</b>	<b>427.33</b>	<b>16.34</b>	<b>7.78</b>	<b>6.64</b>	<b>1.26</b>	<b>459.34</b>

## Trade Receivables ageing schedule as at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables- considered good	451.31	36.40	17.48	2.94	0.08	508.21
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>	<b>451.31</b>	<b>36.40</b>	<b>17.48</b>	<b>2.94</b>	<b>0.08</b>	<b>508.21</b>
Undue - considered good	-	-	-	-	-	-
Undue - considered doubtful	-	-	-	-	-	-
Provision for doubtful debts	-	-	-	-	-	-
<b>Total</b>	<b>451.31</b>	<b>36.40</b>	<b>17.48</b>	<b>2.94</b>	<b>0.08</b>	<b>508.21</b>

in Inr '00,000

## I.7 Trade Payables

Particulars	31-03-2023	31-03-2022	31-03-2021
MSME Creditors		-	0.23
Other Creditors	40.24	28.33	37.12
<b>Total</b>	<b>40.24</b>	<b>28.33</b>	<b>37.35</b>

## Trade Payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment			More than 3 years	Total
	Less than 1 year	1-2 years	2-3 years		
MSME	-	-	-	-	-
Others	39.40	0.84	-	-	40.24
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>	<b>39.40</b>	<b>0.84</b>	<b>-</b>	<b>-</b>	<b>40.24</b>
MSME - Undue	-	-	-	-	-
Others - Undue	-	-	-	-	-
<b>Total</b>	<b>39.40</b>	<b>0.84</b>	<b>-</b>	<b>-</b>	<b>40.24</b>

## Trade Payable ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME					-
Others	28.33	-	-	-	28
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>	<b>28.33</b>	-	-	-	<b>28.33</b>
MSME - Undue	-	-	-	-	-
Others - Undue	-	-	-	-	-
<b>Total</b>	<b>28.33</b>	-	-	-	<b>28.33</b>

## Trade Payable ageing schedule as at 31 March 2021

Particulars	Outstanding for following periods from due date of payment			Total
	Less than 1 year	1-2 years	More Than 3 years	
MSME	0.23	-	-	0.23
Others	36.15	0.83	0.14	37.12
Disputed dues- MSME	-	-	-	-
Disputed dues- Others	-	-	-	-
<b>Sub total</b>	<b>36.39</b>	<b>0.83</b>	<b>0.14</b>	<b>37.35</b>
MSME - Undue	-	-	-	-
Others - Undue	-	-	-	-
<b>Total</b>	<b>36.39</b>	<b>0.83</b>	<b>0.14</b>	<b>37.35</b>

**II.1 Restated Statement of Revenue from operations**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Sales			
- Domestic Sales	2,338.46	1,734.12	1,243.83
- Service	4.27	-	-
- Export Sales	468.34	306.05	274.98
- Freight & packing charges	92.60	62.17	34.25
<b>Total</b>	<b>2,903.67</b>	<b>2,102.34</b>	<b>1,553.06</b>

**II.2 Restated Statement of Revenue from Other Income**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Interest on Fixed Deposit	6.81	2.42	3.02
Any Other Income			
-Interest received on Electricity Deposit	-	0.09	0.12
-Others	6.87	12.99	14.89
-Profit on foreign exchange	0.06	-	2.24
Accrued Interest	1.03	-	-
<b>Total</b>	<b>14.77</b>	<b>15.50</b>	<b>20.28</b>

**II.3 Restated Statement of Cost of Materials Consumed**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
<b>Opening Stock</b>	123.03	51.70	76.22
Add: Purchase during the Years	768.62	573.37	340.41
Less: Closing Stock	98.95	123.03	51.70
<b>Cost of Material Consumed</b>	<b>792.70</b>	<b>502.04</b>	<b>364.93</b>

**II.4 Restated Statement of Change in Inventory**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
<b>Work In Progress</b>			
Opening WIP	-	-	-
Closing WIP	65.65	-	-
<b>Opening Inventories</b>			
Finished Goods	37.07	48.64	-
<b>Less: Closing Inventories</b>			
Finished Goods	46.30	37.07	48.64
<b>Total</b>	<b>(74.89)</b>	<b>11.57</b>	<b>(48.64)</b>

**II.5 Restated Statement of Employees Benefit Expenses**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Salaries, Wages & Bonus	899.82	774.29	606.17
Contribution To Provident Fund And Other Funds	119.69	117.87	118.04
Staff Welfare	50.24	18.13	9.41
Directors Remuneration	153.21	80.79	104.72
<b>Total</b>	<b>1,222.95</b>	<b>991.07</b>	<b>838.34</b>

**II.6 Restated Statement of Other Expenses**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Advertisements Charges	2.04	0.07	0.06
Packing charges	33.00	23.67	15.56
Postage ,Parcel And Courier Charges	80.49	58.00	39.29
Transporting and Delivery charges	11.82	10.50	5.49
Administrative expenses	4.03	11.98	1.46
Bank Charges	7.11	6.18	4.83
Consumption of stores and spare parts	23.44	11.24	12.11
Manufacturing Expenses	90.58	52.40	35.08
Audit Fees	5.25	2.00	1.80
Compliments and Gifts	2.66	0.93	1.95
Accounting Expenses	1.20	3.33	7.03
Conveyance Charges	-	0.22	0.42
Donation & Subscription	0.07	0.09	0.37
Foregin Exchange (Gain)/Loss	2.36	2.93	1.42
General Expenses(Tea & Refreshments)	21.73	8.30	15.25
CSR Activites	-	-	0.90
Insuarance exp.	1.48	0.90	1.46
Miscellaneous Expense	3.98	4.35	1.65
Printing & Stationery	10.06	6.43	5.34
Power and Fuel	37.41	21.48	15.61
Sundry Balances Written Off	1.17	3.54	10.08
Professional & Technical Charges	12.35	4.44	5.03
Rent	18.59	16.10	15.47
Repaires & Maintenance	-	-	-
Building	4.40	13.56	14.20
Plant and Machinery	9.39	9.07	5.84
Furniture	0.18	-	-
Vehicles	1.96	2.36	3.22
Business Promotion Expenses	2.44	1.05	0.76
Rates and Taxes	16.16	10.06	7.61
Telephone Expenses	1.93	1.56	1.60
Travelling Expenses	35.71	19.57	8.39
Installation Expenses	-	-	2.43
Security and Service Charges	4.26	4.43	3.74
Water Charges	1.45	0.87	0.64
Depositary Charges	1.33	-	-
Liquidated Damages	8.69	0.09	6.64
Discount paid	2.38	0.25	-
<b>Total</b>	<b>461.11</b>	<b>311.95</b>	<b>252.75</b>
<b>Payment to Auditors</b>			
- Statutory Audit	2.25	2.00	1.80
- Peer Review Audit	3.00	-	-
	<b>5.25</b>	<b>2.00</b>	<b>1.80</b>

**II.7 Restated Statement of Financial Charges**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Interest On Secured Loan	23.92	13.60	12.40
Others	-	2.62	-
<b>Total</b>	<b>23.92</b>	<b>16.22</b>	<b>12.40</b>

**II.8 Extraordinary Items**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Excess Provision Written Back			
- Gratuity	73.84	-	-
Prior period Expenses	-	-	2.19
	<b>73.84</b>	<b>-</b>	<b>2.19</b>

**II.9 Restated Statement of Provision For Taxation**

<b>Particulars</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Current Tax	107.32	69.34	45.67
Deferred Tax	18.03	(3.29)	(17.15)
	<b>125.35</b>	<b>66.06</b>	<b>28.52</b>

II.10	Earnings per equity share	For the year ended		
		31-03-2023	31-03-2022	31-03-2021
	<b>Particulars</b>			
	<u>Basic Earnings per share</u>			
	Net profit for the year	356.14	155.19	68.80
	Weighted average number of equity shares	72,00,000	2,00,000	2,00,000
	Weighted average number of equity shares after bonus issue	72,00,000	72,00,000	72,00,000
	Par value per share	10	10	10
	Earnings per share - Basic	4.95	77.60	34.40
	Restated EPS after Bonus	4.95	2.16	0.96
	<u>Diluted Earnings per share</u>			
	Net profit for the year	356.14	155.19	68.80
	Weighted average number of equity shares for Basic EPS	72,00,000	2,00,000	2,00,000
	Add: Effect of bonus issue of shares	-	70,00,000	70,00,000
	Weighted average number of equity shares - for diluted EPS	72,00,000	72,00,000	72,00,000
	Par value per share	10	10	10
	Earnings per share - Diluted	4.95	77.60	34.40
	Earnings per share - Diluted after bonus issue	4.95	2.16	0.96
<b>II.11</b>	<b>Earnings in foreign exchange (on accrual basis)</b>			
	<b>Particulars</b>		<b>For the year ended</b>	
		<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
	Exports at F.O.B. value	468.34	306.05	274.98
	Other Income			
	-Freight on Export	41.73	26.69	13.25
		<b>510.07</b>	<b>306.05</b>	<b>274.98</b>
<b>II.12</b>	<b>Value of import on CIF basis</b>			
	<b>Particulars</b>		<b>For the year ended</b>	
		<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
	Raw Materials	162.45	87.09	62.16
		<b>162.45</b>	<b>87.09</b>	<b>62.16</b>
<b>II.13</b>	<b>Value of imported and indigenous raw materials , spare parts and components consumed</b>			
	<b>Particulars</b>		<b>For the year ended</b>	
		<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
	Total Value of Imported item			
	Raw Material Consumed	162.45	87.09	62.16
	Spare parts and components consumption	-	-	-
	% of total value of imported item to total consumption	20.49%	17.35%	17.03%
	Total value of indigenous item			
	Raw Material Consumed	630.25	414.95	302.77
	Spare parts and components consumption	-	-	-
	% of total value of indigenous item to total consumption	79.51%	82.65%	82.97%

**II.14 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at	As at	As at
	31-03-2023	31-03-2022	31-03-2021
a. Principal amount remaining unpaid to any supplier at the end of the accounting year	Nil	Nil	Nil
b. Interest due thereon remaining unpaid to any supplier at the end of the accounting year	Nil	Nil	Nil
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil	Nil
d. The amount of interest due and payable for the year	Nil	Nil	Nil
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil	Nil

**Note:**

The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.

**II.15 Commitments**

Particulars	As at	As at	As at
	31-03-2023	31-03-2022	31-03-2021
a. <b>Capital Commitments</b>			
Estimated Amounts of contracts remaining to be executed on capital account and not provided for, net of advances	Nil	Nil	Nil

**II.16 Other disclosures**

Particulars	For the year ended		
	31-03-2023	31-03-2022	31-03-2021
Contingent Liabilities and commitments			
(i) Contingent Liabilities :			
(a) Claims against the company not acknowledged as debt ;	17.76	Nil	Nil
(b) Bank Guarantees ;	29.83	Nil	Nil
(c) Other money for which the company is contingently liable	Nil	Nil	Nil
(ii) Commitments			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for ;	Nil	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid ;	Nil	Nil	Nil
(c) Other commitments (specify nature)	Nil	Nil	Nil

(iii) Notices have been served on the Company by the Goods and Service tax department against which responses are being filed by the Company and adjudication process is ongoing. Amount payable in the event of unfavourable orders against such representations by the authorities have not been quantified.

Note: Contingent liabilities

The Company has not deposited an amount of Rs.17,75,790 towards building tax claimed by the Kalamassery Municipality on account of dispute. The appeal filed by the Kalamassery Municipality is presently pending before the Honourable High Court of Kerala.

The Company has issued Performance Bank Guarantee to its customer worth Rs. 29.83 Lakhs for the satisfactory performance of their products supplied

## II.17 Retirement benefits Employee benefit plans

### Gratuity

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. The present value obligation is determined based on actuarial valuation using Projected Unit Credit Method.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

#### Net employee benefit expense (recognised in employee benefits expenses)

Particulars	31-03-2023	31-03-2022	31-03-2021
	₹	₹	₹
Current service cost	29.82	333.34	29.87
Interest cost on benefit obligation	24.44	-	-
Expected return on plan assets	(13.03)	-	-
Net actuarial loss recognised in the year	13.18	-	48.23
<b>Net benefit expenses</b>	<b>54.41</b>	<b>333.34</b>	<b>78.10</b>

#### Balance sheet

Particulars	31-03-2023	31-03-2022	31-03-2021
	₹	₹	₹
Present value of obligation	387.72	333.34	246.38
Fair value of plan assets	209.97	150.35	-
<b>Net accrued liability</b>	<b>(177.75)</b>	<b>(182.99)</b>	<b>(246.38)</b>

Particulars	31-03-2023	31-03-2022	31-03-2021
	₹	₹	₹
Present value of obligation at the beginning of the year	333.34	-	183.29
Current service cost	29.82	333.34	29.87
Interest cost	24.44	-	-
Benefits paid	(10.65)	-	(15.00)
Actuarial loss	10.78	-	48.23
Present value of obligation at the end of the year	<b>387.72</b>	<b>333.34</b>	<b>246.38</b>

Since the entire amount of plan obligation is unfunded, changes in the fair value of plan assets are not given. Further, as the entire amount of plan obligation is unfunded, categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principle assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

Particulars	31-03-2023	31-03-2022	31-03-2021
	₹	₹	₹
Discount rate	7.53%	7.45%	7.00%
Expected return on plan assets	7.45%	7.45%	8.00%
Increase in compensation cost	8.00%	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take in to account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## II.18 Obligations towards non cancellable operating leases

The company has not entered into any non cancellable operating lease during the year. The Company has taken godowns, office premises and guest houses on cancellable operating leases. There are no restrictions imposed by the leasing arrangements.

## II.19 Estimation of uncertainties relating to the global health pandemic from COVID-19 ( COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. Based on current estimates the Company expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

## II.20 Financial Ratios

The Financial Ratios are as follows:

	Head	Ratio	Year ended	Year ended	Year ended	change	change	Comment for change in % 2023	Comment for change in % 2022
			31-03-2023	31-03-2022	31-03-2021	in% 2023	in% 2022		
1	<b>Current Ratio</b>	Total Current Assets / Current Liabilities	4.13	3.16	2.61	30.89%	20.96%	Due to improved results from operations.	
2	<b>Net Debt Equity Ratio</b>	Total Debt / Shareholder's Equity	0.12	0.25	0.24	-53.99%	3.76%	Reduction in debt equity ratio is on account of repayment of debt with surplus cash in the business	
3	<b>Debt Service Coverage Ratio</b>	EBITD / (Net Finance Charges + Scheduled Principal Repayments of non-current borrowings and lease obligation (excluding prepayments))	9.14	6.04	3.80	51.44%	58.92%	Improved profitability and reduced debt has resulted in improved debt service coverage ratio	Improved profitability and reduced debt has resulted in improved debt service coverage ratio
4	<b>Return on Equity</b>	Profit after tax / Average Equity <i>Equity: Equity Share Capital + Free Reserves + Share Application Money</i>	0.36	0.21	0.11	74.95%	95.16%	Improved profitability has resulted in improved return on equity	Improved profitability has resulted in improved return on equity
5	<b>Inventory Turnover Ratio</b>	Cost of goods sold OR sales / Average Inventory	15.65	16.14	17.59	-3.05%	-8.23%		
6	<b>Trade Receivable Turnover Ratio</b>	Turnover / Average Trade Receivable	5.42	4.35	7.55	24.64%	-42.43%		Improved sales and slow repayment by debtors
7	<b>Trade Payables Turnover Ratio</b>	Purchases / Average Trade Payables	23.12	15.29	6.27	51.24%	143.89%	On account of increase in purchases and better payments cycle to creditors	On account of increase in purchases and better payments cycle to creditors
8	<b>Net Capital Turnover Ratio</b>	Turnover / Average Working Capital	4.25	4.24	4.11	0.27%	3.18%		
9	<b>Net Profit Ratio (%)</b>	Net Profit after Tax / Turnover	12%	7.38%	4.43%	66.15%	66.65%	Increased on account of better operational results as compared to previous year.	Increased on account of better operational results as compared to previous year.
10	<b>Return on Capital Employed (%)</b>	EBIT / Capital Employed	33%	23.05%	13.09%	44.72%	76.09%	Increased on account of better operational results as compared to previous year.	Increased on account of better operational results as compared to previous year.
11	<b>Return on Investment (%)</b>	Net gain / (loss) on sale or fair value changes of investments / Average investment funds in investments	NA	NA	NA	NA	NA		

\* comments added only if there is a +/- 25% variance

## II.21 Additional Regulatory Information

- i. There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.
- ii. The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- iii **Relationship with Struck off Companies**

Name of struck off Company	Nature of transaction with struck-off Company	Balance outstanding as at March 31, 2022	Relationship with the Struck off company	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
NIL	NIL	NIL	NA	NIL	NA

- iv The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

## II.22 Utilisation of Borrowed funds

A. The Company has not advanced or loaned or invested funds (either borrowed funds or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”); or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (“Funding Party”) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”); or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## II.23 Undisclosed Income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

## II.24 Details of Crypto Currency or Virtual Currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2022. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

- II.25 Previous year figures have been regrouped / reclassified wherever necessary to suit current year layout.

## Annexure IV – Statement of Significant Accounting Policies

### **A. Background of the company:**

Holmarc Opto-Mechatronics Limited (hereinafter referred to "the Company") was incorporated on 11-02-1993 under the Indian Companies Act, 1956 in the State of Kerala. The company is engaged in the manufacture of scientific and engineering instruments for research, industry and education.

### **B. Statement of Significant Accounting Policies**

#### **1.1 Basis of Preparation of Financial Statements:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous period. The Company has prepared the financial statements on a going concern basis. The financial statements are presented in Indian rupees.

#### **1.2 Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **1.3 Tangible Fixed Assets:**

Fixed assets are stated at cost, less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs, if any, relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### **1.4 Depreciation:**

Depreciation is provided using the Written Down Value Method ('WDV') as per the useful life prescribed in Schedule II of the Companies Act, 2013.

#### **1.5 Intangible assets and amortization**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.

The amortization period and method are reviewed at each Balance Sheet date. If the expected useful life of the asset is significantly different from the previous estimates, the amortization period is changed accordingly.

#### **1.6 Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

#### **1.7 Inventories**

Inventories are valued at lower of cost and net realisable value whichever is lower, cost is determined on FIFO basis.

## 1.8 Revenue Recognition:

### Sales:

Revenue from sale of products is recognised when significant risks and rewards of ownership are passed to the buyer.

### Rental Income:

Rental income, if any, is recognised on a straight-line basis over the lease term.

### Interest:

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## 1.9 Foreign currency transactions

- (i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- (iii) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

### 1.10.1 Retirement and other employee benefits:

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions are due. There are no obligations other than the aforementioned contribution payable.

## 1.11 Income Taxes

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as the company does not have a legal right to do so. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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 probable that future economic benefit associated with it will flow to the Company.

## 1.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

**1.13 Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; 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 are not discounted to its present value and are determined based on 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.

**1.14 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents consist of cash in hand, cheques on hand, balances with banks in current accounts and demand deposits .

**1.15 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. A disclosure is made for a contingent liability when there is a:

- a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c) present obligation, where a reliable estimate cannot be made.

**1.16 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur .

## Annexure –V

### Notes to the Re-stated Financial Statements:

**I. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**II. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**III. Material Adjustments in Restated Profit & Loss Account: Nil**

**IV. Material Adjustments in Restated Balance Sheet: Nil**

**V. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2023 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**VI. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.**

**VII. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.**

**VIII. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.**

**IX. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

## ANNEXURE –VI

## Statement of Accounting &amp; Other Ratios, As Restated

Particulars	31-03-2023	31-03-2022	31-03-2021
Net Profit as Restated	356.14	155.19	68.80
Add: Depreciation	84.99	63.74	54.04
Add: Interest on Loan	23.92	13.60	12.40
Add: Income Tax	125.35	66.06	28.52
<b>EBITDA</b>	<b>590.40</b>	<b>298.60</b>	<b>163.76</b>
<b>EBITDA Margin (%)</b>	<b>20.23%</b>	<b>14.10%</b>	<b>10.41%</b>
Net Worth as Restated	1,159.93	823.80	688.60
<b>Return on Net worth (%) as Restated</b>	<b>30.70%</b>	<b>18.84%</b>	<b>9.99%</b>
Equity Share at the end of year (in Nos.)	72,00,000	2,00,000	2,00,000
Weighted No. of Equity Shares post bonus	72,00,000	72,00,000	72,00,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated</b>	<b>4.95</b>	<b>77.60</b>	<b>34.40</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated post Bonus</b>	<b>4.95</b>	<b>2.16</b>	<b>0.96</b>
<b>Net Asset Value per Equity share as Restated</b>	<b>16.11</b>	<b>411.90</b>	<b>344.30</b>
<b>Net Asset Value per Equity share as Restated Post Bonus</b>	<b>16.11</b>	<b>11.44</b>	<b>9.56</b>

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares (effect of bonus shares issued in FY 2022-23 not considered for FY 2021-22 and FY 2020-21)

The Company does not have any revaluation reserves

## ANNEXURE –VII

## Statement of Capitalization, As Restated

Particulars	Pre-Issue	Post Issue*
	31-03-2023	
<b>Debt :</b>		
Short Term Debt	33.85	33.85
Long Term Debt	99.83	99.83
<b>Total Debt</b>	<b>133.69</b>	<b>133.69</b>
<b>Shareholders Funds</b>		
Equity Share Capital	720.00	1,005.00
Reserves and Surplus	439.93	1,294.93
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>1,159.93</b>	<b>2,299.93</b>
<i>Long Term Debt/ Shareholders' Funds</i>	<i>0.09</i>	<i>0.04</i>
<i>Total Debt / Shareholders Fund</i>	<i>0.12</i>	<i>0.06</i>

\* Assuming Full Allotment of IPO shares

## ANNEXURE –VIII

## Statement of Tax Shelter, As Restated

Particulars	As At		
	31-03-2023	31-03-2022	31-03-2021
<b>Profit Before Tax as per books of accounts (A)</b>	<b>481.49</b>	<b>221.25</b>	<b>97.32</b>
-- Normal Tax rate	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	18.50%	18.50%	18.50%
<b>Permanent differences</b>			
section 36	-	24.49	0.81
section 37	1.61	0.09	1.27
<b>Total (B)</b>	<b>1.61</b>	<b>24.58</b>	<b>2.09</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	84.99	63.74	54.04
Depreciation as per Income Tax	73.43	62.98	49.83
Difference between tax depreciation and book depreciation	11.56	0.76	4.22
section 40A-gratuity	54.41	12.30	63.93
Other deduction	(135.34)	-	-
Other adjustments	-	-	-
Foreign income included in the statement	-	-	-
<b>Total (C)</b>	<b>(69.36)</b>	<b>13.05</b>	<b>68.14</b>
<b>Net Adjustments (D = B+C)</b>	<b>(67.76)</b>	<b>37.63</b>	<b>70.23</b>
<b>Total Income (E = A+D)</b>	<b>413.73</b>	<b>258.88</b>	<b>167.55</b>
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>413.73</b>	<b>258.88</b>	<b>167.55</b>
Tax Payable for the year	104.13	65.16	42.17
Other Defaults	3.19	4.18	3.50
Tax payable as per MAT	77.00	48.00	31.00
Tax expense recognised	<b>107.32</b>	<b>69.34</b>	<b>45.67</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

## ANNEXURE –IX

**Statement of Related Parties & Transactions**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

<b>Name of the key managerial personnel/Entity</b>	<b>Relationship</b>		
Jolly Cyriac	Managing Director		
Ishach Sainuddin	Wholetime Director and Chief Financial Officer		
Gopala Kurup Unnikrishna Kurup	Wholetime Director		
Vellachalil Ramakrishnan Sanjaykumar	Wholetime Director		
Abdul Rasheed Aledath Kochunni	Wholetime Director		
Jayagosh Unni Srmbikkal	Wholetime Director		
Jim Jose Punnackal Josey	Wholetime Director		
Lijo George	Wholetime Director		
Pottekkattu Muhammed Muhammedshafi	Wholetime Director		
Jaya Jolly	Wholetime Director and Spouse of Managing Director		
Vallath Parvathy	Company Secretary		
Cyriac and Cyriac	Firm in which managing director's brother is a partner		
Green Treat Machinery Pvt Ltd	Company in which promoter exercise significant influence		

<b>Transactions with Related Parties:</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
<b>Particulars</b>			
<b>Remuneration paid to Directors</b>			
Jolly Cyriac	6.60	6.00	56.00
Ishach Sainuddin	6.60	6.00	48.72
Jaya Jolly	3.34	-	-
Gopala Kurup Unnikrishna Kurup	7.15	4.00	-
Vellachalil Ramakrishnan Sanjaykumar	7.45	3.81	-
Abdul Rasheed Aledath Kochunni	7.50	3.86	-
Jayagosh Unni Srmbikkal	7.15	4.00	-
Jim Jose Punnackal Josey	7.66	3.88	-
Lijo George	7.74	3.52	-
Pottekkattu Muhammed Muhammedshafi	7.74	3.72	-
<b>Sales Incentives</b>			
Jolly Cyriac	28.09	21.00	-
Ishach Sainuddin	28.09	21.00	-
Abdul Rasheed Aledath Kochunni	5.62	-	-
Jim Jose Punnackal Josey	5.62	-	-
Lijo George	5.62	-	-
Pottekkattu Muhammed Muhammedshafi	5.62	-	-
Vellachalil Ramakrishnan Sanjaykumar	5.62	-	-
<b>Total</b>	<b>153.21</b>	<b>80.79</b>	<b>104.72</b>
<b>Shares of associate sold to directors</b>			
Jolly Cyriac - Shares of GreenTreat Machinery Pvt Ltd	-	-	2.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2.50</b>
<b>Remuneration to Relative of Director</b>			
Jaya Jolly	2.31	4.02	3.90
<b>Total</b>	<b>2.31</b>	<b>4.02</b>	<b>3.90</b>

**Remuneration to Company Secretary**

Vallath Parvathy	3.14	-	-
	<b>3.14</b>	-	-

**Rent**

Green Treat Machinery Pvt Ltd	-	-	11.49
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**Legal Charges**

Cyriac and Cyriac	2.31	0.21	-
<b>Total</b>	<b>2.31</b>	<b>0.21</b>	-

**Balances Payable as on year end**

Particulars	As on		
	31-03-2023	31-03-2022	31-03-2021
Ishach S.	0.02	2.79	2.42
Jolly Cyriac	0.02	1.69	0.03
Cyriac and Cyriac	0.04	-	-
Jim Jose	0.23	0.19	0.25
Lijo George	0.36	0.20	-
Muhammed Shafi	0.33	0.20	0.29
Abdul Rasheed A K	0.28	-	0.23
Vellachalil Ramakrishnan Sanjaykumar	-	-	0.33
Green Treat Machinery Pvt Ltd	-	-	0.20
<b>Total</b>	<b>1.28</b>	<b>5.07</b>	<b>3.22</b>

**Note:**

This statement of related parties and transactions has been prepared after considering corrections to the list of parties and transactions as compared to the previous audited financial statements

## FINANCIAL INDEBTEDNESS

### STATEMENT OF FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, HOLMARC OPTO-MECHATRONICS LIMITED and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at March 31, 2023 are as mentioned below:

Nature of Borrowing	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Secured Loan	1,32,41,304.00	1,62,32,161.00	69,67,744
Unsecured Loan	NIL	NIL	NIL
Overdraft	-	40,92,182.00	94,26,086.19
Credit Card	1,27,482.54	3,12,873.00	2,31,976.64
<b>Total</b>	<b>1,33,68,786.54</b>	<b>2,06,37,216.00</b>	<b>1,66,25,806.83</b>

#### A. Secured Loans

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Kotak Mahindra Prime	Vehicle	14,67,000	3,94,122	6,76,114	9,62,617.58
Kotak Mahindra Prime	Vehicle	21,29,000	13,36,492	17,36,471	21,25,000.00
Canara Bank	Working Capital	15,00,000	7,54,112	12,33,869	15,00,000
Canara Bank	Machinery	1,16,50,000	92,56,578	1,08,77,378	-
Canara Bank	Working Capital	15,00,000	15,00,000	15,00,000	
Canara Bank	Machinery	7,50,000	-	2,08,329	7,08,333
Seimens Financial Services	Machinery	78,64,700	-	-	16,71,793
<b>Subtotal</b>			<b>1,32,41,304</b>	<b>1,62,32,161</b>	<b>69,67,744</b>

#### B. Overdraft

Name of Lender	Purpose	Sanctioned Limit (Rs.)	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Canara Bank	Working Capital	1,50,00,000	-	40,92,182.00	94,26,086.19

#### C. Credit Card

Name of Lender	Purpose	Sanctioned Limit (Rs.)	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Canara Bank	Working Capital	2,00,000	1,27,482.54	3,12,873.00	2,31,976.64

\* Note: Credit Card limit of Rs. 2.00 lakhs is for single use transaction.

**Details Terms of Secured Loan outstanding as on 31/03/2023:**

1. **Name of the Bank** : **KOTAK MAHINDRA PRIME LIMITED (CF-17090022)**
  - Facility** : Car Loan
  - Loan Limit** : 14,67,000
  - Date of Sanction** : 26.04.2019
  - Rate of Interest** : 8.16%
  - Repayment Terms** : 60 months
  - Security offered** :
  - Primary Security** : HONDA CITY PETROL ZX CVT
  - Collateral Security** : Nil
  - Personal Guarantee** : Sri Ishach S
  - Corporate Guarantee** : Nil
  - Any Non-compliance** :
  - Of sanctioned terms** : No
  
2. **Name of the Bank** : **KOTAK MAHINDRA PRIME LIMITED (CF-18840463)**
  - Facility** : Car Loan
  - Loan Limit** : 21,29,000
  - Date of Sanction** : 10.02.2021
  - Rate of Interest** : 6.25%
  - Repayment Terms** : 60 MONTHS
  - Security offered** :
  - Primary Security** : TOYOTA INNOVA CRYSTA GX 7 AT
  - Collateral Security** : NIL
  - Personal Guarantee** : Sri Ishach S
  - Corporate Guarantee** : NIL
  - Any Non-compliance** :
  - Of sanctioned terms** : No
  
3. **Name of the Bank** : **CANARA BANK, PALARIVATTOM**
  - Facility** : Term Loan
  - Loan Limit** : Rs. 116.50 Lakhs
  - Date of Sanction** : 15.12.2021
  - Rate of Interest** : 9.70% (Repo Linked Lending Rate + 0.60%, Floating)
  - Repayment Terms** : Principal in 60 instalments, Interest as and when debited on monthly.
  - Security offered** :
  - Primary Security** : CGTMSE Cover
  - Collateral Security** : hypothecation of Plant & Machinery purchased from this loan
  - Collateral Security** : Please refer note
  - Personal Guarantee** : Mr. Ishach S and Mr. Jolly Cyriac
  - Corporate Guarantee** : Nil
  - Any Non-compliance** :
  - Of sanctioned terms** : No

4. **Name of the Bank** : **CANARA BANK, PALARIVATTOM**  
**Facility** : WCTL under GECL  
**Loan Limit** : Rs. 15,00,000.00  
**Date of Sanction** : 04.08.2020  
**Rate of Interest** : 7.50% (Repo Linked Lending Rate + 0.60%, Floating)  
**Repayment Terms** : 48 months including 12 months moratorium
- Security Offered** :  
**Primary Security** : Stock & Book Debts  
**Collateral Security** : Please refer note  
**Personal Guarantee** : Mr. Ishach S and Mr. Jolly Cyriac  
**Corporate Guarantee** : Nil  
**Any Non-compliance Of sanctioned terms** : No
5. **Name of the Bank** : **CANARA BANK, PALARIVATTOM**  
**Facility** : WCTL under GECL 1.0 (Extension)  
**Loan Limit** : Rs. 15,00,000.00  
**Date of Sanction** : 25.11.2021  
**Rate of Interest** : 7.50% (Repo Linked Lending Rate + 0.60%, Floating)  
**Repayment Terms** : 60 months, Moratorium 24 months. No moratorium for Interest.
- Security Offered** :  
**Primary Security** : Asset created out of the credit  
**Collateral Security** : Please refer note  
**Personal Guarantee** : Nil  
**Corporate Guarantee** : Nil  
**Any Non-compliance Of sanctioned terms** : No
6. **Name of the Bank** : **CANARA BANK, PALARIVATTOM**  
**Facility** : Working capital Limit against OD  
**Loan Limit** : Rs. 1,50,00,000.00  
**BG Limit** : Rs. 35,00,000.00  
**Margin Limit** : Backed by 100% deposit margin  
**Date of Sanction** : 31.03.2022  
**Rate of Interest** : 2.00% above the FD Rate  
**Repayment Terms** : Sanctioned for 1 years, repayable on Demand
- Security Offered** :  
**Primary Security** : Asset created out of the credit  
**Collateral Security** : Please refer note  
**Personal Guarantee** : Nil  
**Corporate Guarantee** : Nil  
**Any Non-compliance Of sanctioned terms** : No

**Note:** All existing Canara Bank Loans as on 31/03/2023 have Fixed Deposit of Rs. 216.79 Lakhs (Rs. 157.78 Lakhs in the name of Company and FD of Rs. 59.01 Lakhs in the name of Mr. Jolly Cyriac) as their security.

During earlier periods loan from Canara bank had 3.66 acres of land in Sy No.560/5 &560/6 in Vazhakkala Village in the name of Sri Jolly Cyriac and 3.66 acres of land in Sy No.560/5 in Vazhakkala Village in the name of Sri Ishach S as their collateral security which has been released now.

**B. Unsecured Loans:** Nil

**For, G Joseph & Associates**  
**Chartered Accountants**  
**Firm Reg. No: (FRN 006310S)**

Sd/-

**Allen Joseph**  
**Partner**  
**M No. 228498**

**Place: Ernakulam**

**Date: August 02, 2023**

**UDIN No: 23228498BGXRAV4263**

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this prospectus. You should also see the section titled “**Risk Factors**” beginning on page 21 of this prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated August 02, 2023 which is included in this prospectus under the section titled “**Financial Information as Restated**” beginning on page 188 of this prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “**Risk Factors**” and “**Forward Looking Statements**” beginning on pages 21 and 15 respectively, and elsewhere in this prospectus*

*Accordingly, the degree to which the financial statements in this prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled “**Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation**” beginning on page 13 of this prospectus.*

### BUSINESS OVERVIEW

Holmarc Opto-Mechatronics Limited is incorporated in the year 1993 by our promoters Mr. Jolly Cyriac and Mr. Ishach Sainuddin. Our Company manufactures variety of scientific and engineering instruments for research, industry and education i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Opto-mechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation etc.

Our manufacturing facility spread over approx. 29,984 sq.ft. situated at Building No. 11/490, B7, H.M.T. Industrial Estate, Kalamassery, Kanayanoor, Ernakulam – 683503, Kerala is equipped with latest machineries, equipment and instruments which is capable to manufacture diverse products. With state-of-the-art machines, equipment and instruments, Holmarc's technicians and engineers bring out quality products, each distinct and best in its kind. All our departments, be it optics design, optics manufacturing, mechanics design, electronics R&D or software development are all manned by experienced professionals in the respective disciplines. Holmarc is unique in its approach to providing after sales service. We give maintenance and modification support for all our products as long as our customer needs it irrespective of warranty or year of purchase. We do not make any of our products obsolete, rather encourage our users to modify and use as long as it is technically possible.

Holmarc Opto-Mechatronics Limited is an ISO 9001:2015 certified company for designing, developing and manufacturing scientific instruments and devices for Industries, Research and Educational Institutes. We have successfully implemented quality management system as per industry standard. The goal of the company is to design, manufacture and service quality products that consistently meet our customer's requirement and needs.

Our Company is engaged in manufacturing of following products:

- |  |   |
|--|---|
| <input type="checkbox"/> Imaging Instruments     | <input type="checkbox"/> Breadboard/Table Tops                |
| <input type="checkbox"/> Measuring Instruments   | <input type="checkbox"/> Opto-mechanics                       |
| <input type="checkbox"/> Spectroscopy            | <input type="checkbox"/> Optics                               |
| <input type="checkbox"/> Analytical Instruments  | <input type="checkbox"/> Linear and Rotation Stages           |
| <input type="checkbox"/> Lab Instruments         | <input type="checkbox"/> Motorized Linear and Rotation Stages |
| <input type="checkbox"/> Physics Lab Instruments | <input type="checkbox"/> Industrial Automation                |

Holmarc is unique in its capabilities to develop and manufacture products which require in-house multi-disciplinary capabilities in optics, mechanics, electronics, physical sciences and software. Products which we developed with our multi-disciplinary resources for commercial manufacture include Hologram Microscope, Fluorescence Microscope, Monochromators, Spectrometers, Nano fiber Electrospinning units. Many of these products are exclusive, innovative and unique in design. Holmarc's unique products also include Robotic Thin Film Coating System popularly known as Silar Coating Unit, Automated Spray Pyrolysis System for solar cells, Automated Lees disc apparatus for thermal conductivity measurements, Tribo-electric Measurement Station for load cell testing, Magneto-optic Kerr Effect Station (MOKE) for material study, LBIC and PL (Laser Beam Induced Current Measurement and Photo-Luminescence) system.

Holmarc manufactures variety of import substitute products for Indian market which as well can find wide export market. Products which come under this category are Quantum Efficiency Measurement Station for solar cells, UV Laser Marking Station for photo-lithography, Automated Rotary Antenna Positioners, Spectroscopic Ellipsometer for thin film measurements, UV Ozone Cleaner, Spectroscopic Reflectometer, Photo Detector Measurement System, Raman Spectrometer, etc.

Over the last three decades, Holmarc has developed a number of products with unique designs for scientific and engineering applications. Our Company has developed over 800 products with standard specifications and have developed numerous customized products as well.

Holmarc, from its very beginning has maintained cordial and professional relationship with all major research and educational institutes in India. Our Research and Development department constantly interacts with leading research institutes in India for development and up-gradation of our products.

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. March 31, 2023 as disclosed in this prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on EMERGE Platform of National Stock Exchange of India Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on May 23, 2023 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on May 30, 2023 authorized the Initial Public Offer.

#### **KEY FACTORS AFFECTING OUR RESULTS OF OPERATION**

1. Covid-19 pandemic.
2. Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
3. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of our services/products;
6. Rapid Technological advancement and inability to keep pace with the change;
7. Increased competition in industries/sector in which we operate;
8. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
9. Changes in laws and regulations relating to the Sectors in which we operate;
10. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
11. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
12. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
13. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

**SIGNIFICANT ACCOUNTING POLICIES:**

Our significant accounting policies are described in the section entitled “*Financial Statements as Restated*” beginning from page no. 188 of the prospectus.

**SUMMARY OF THE RESULTS OF OPERATION:**

The following table sets forth select financial data from restated profit and loss accounts for the financial year ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	March 31, 2023		March 31, 2022		March 31, 2021	
	₹ in lakhs	% of Total Revenue	₹ in lakhs	% of Total Revenue	₹ in lakhs	% of Total Revenue
<b>Income</b>						
Revenue from Operations	2,903.67	99.49%	2,102.34	99.27%	1,553.06	98.71%
Other Income	14.77	0.51%	15.50	0.73%	20.28	1.29%
<b>Total Revenue</b>	<b>2,918.44</b>	<b>100.00%</b>	<b>2,117.84</b>	<b>100.00%</b>	<b>1,573.34</b>	<b>100.00%</b>
<b>Expenditure</b>						
Cost of Material Consumed	792.70	27.16%	502.04	23.71%	364.93	23.19%
Change in Inventories	(74.89)	-2.57%	11.57	0.55%	(48.64)	-3.09%
Employee Benefit Expenses	1,222.95	41.90%	991.07	46.80%	838.34	53.28%
Other Expenses	461.11	15.80%	311.95	14.73%	252.75	16.06%
<b>Total Expenses</b>	<b>2,401.88</b>	<b>82.30%</b>	<b>1,816.63</b>	<b>85.78%</b>	<b>1,407.39</b>	<b>89.45%</b>
<b>Profit Before Interest, Depreciation and Tax</b>	<b>516.56</b>	<b>17.70%</b>	<b>301.21</b>	<b>14.22%</b>	<b>165.95</b>	<b>10.55%</b>
Depreciation & Amortisation Expenses	84.99	2.91%	63.74	3.01%	54.04	3.43%
<b>Profit Before Interest and Tax</b>	<b>431.57</b>	<b>14.79%</b>	<b>237.47</b>	<b>11.21%</b>	<b>111.91</b>	<b>7.11%</b>
Financial Charges	23.92	0.82%	16.22	0.77%	12.40	0.79%
<b>Profit before Taxation</b>	<b>407.65</b>	<b>13.97%</b>	<b>221.25</b>	<b>10.45%</b>	<b>99.51</b>	<b>6.32%</b>
Extraordinary Items	73.84	2.53%	0.00	0.00%	(2.19)	-0.14%
<b>Profit before Taxation but after Extraordinary items</b>	<b>481.49</b>	<b>16.50%</b>	<b>221.25</b>	<b>10.45%</b>	<b>97.32</b>	<b>6.19%</b>
Provision for Taxation	107.32	3.68%	69.34	3.27%	45.67	2.90%
Provision for Deferred Tax	18.03	0.62%	(3.29)	-0.16%	(17.15)	-1.09%
<b>Total</b>	<b>125.35</b>	<b>4.30%</b>	<b>66.06</b>	<b>3.12%</b>	<b>28.52</b>	<b>1.81%</b>
<b>Net Profit after adjustments</b>	<b>356.14</b>	<b>12.20%</b>	<b>155.19</b>	<b>7.33%</b>	<b>68.80</b>	<b>4.37%</b>

**MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT****Income**

Our total income comprises of Revenue from Operations and Other Income

*Revenue from Operations*

Our revenue from operations comprises of Domestic Sales, Services, Export Sales and Freight & Packing Charges

*Other Income*

Our other income comprises of interest income, profit on foreign exchange and others

## Expenditure

Our total expenditure primarily consists of cost of material consumed, changes in inventories, employee benefit expenses, financial charges, depreciation and amortization expenses, other expenses.

### *Cost of Material Consumed*

Cost of materials consumed comprises of difference in opening and closing balance of stock, purchase of raw materials.

### *Change in Inventories*

Change in Inventories comprises of difference in opening and closing balance of work in progress & finished goods.

### *Employee Benefit Expenses*

Employee benefit expenses comprises of salaries, directors' remuneration, staff welfare expenses, contribution to PF & other funds.

### *Depreciation and Amortization Cost*

Depreciation and Amortization Expenses comprises of depreciation on the Tangible assets of our company i.e. Buildings, Furniture & Fittings, Plant & Equipment, Vehicles, Computer and Office Equipment.

### *Financial Charges*

Finance cost comprises of Interest on Borrowings.

### *Other Expenses*

Other expenses comprises of Advertisement Charges, Packing charges, Postage, Parcel and Courier Charges, Transporting and Delivery charges, Administrative expenses, Bank Charges, Consumption of stores and spare parts, Manufacturing Expenses, Audit Fees, Compliments and Gifts, Accounting Expenses Conveyance Charges, Donation & Subscription, Foreign Exchange (Gain)/Loss, General Expenses (Tea & Refreshments), Insurance expenses, Printing & Stationery, Power and Fuel, Professional & Technical Charges, Rent, Repairs & Maintenance, Business Promotion Expenses, Rates and Taxes, Telephone Expenses, Travelling Expenses, Security and Service Charges, Water Charges, Depository Charges, Liquidated Damages, Discount paid and Miscellaneous Expenses.

### *Provision for Taxation*

The provision for current tax is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2023 WITH FISCAL 2022

### Total Revenue

The total revenue for FY 2022-23 was increased to ₹2918.44 Lacs as against ₹2117.84 Lacs in the FY 2021-22 primarily due to increase in revenue from operations of the Company.

**Revenue from Operations:** The revenue from operation of the company for FY 2022-23 was increased to ₹2903.67 Lacs as against ₹2102.34 Lacs in the FY 2021-22.

*Reason for increase in Revenue from Operations:* (1) Increase in Purchase Orders; (2) Easing out of Covid restrictions ; (3) Increase in Production due to increase in Capital Investments by addition in plant & machinery; (4) Optimum utilisation of Employee Strength, Raw Material Inputs etc.

**Other Income:** The other income of the company for FY 2022-23 was decreased to ₹14.77 Lacs as against ₹15.50 Lacs in the FY 2021-22. This decrease was mainly due to decrease in forex gain during the financial year.

#### Total Expenses

The total expenses for the FY 2022-23 was increased to ₹2401.88 Lacs as against ₹1816.63 Lacs in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Cost of Material Consumed:** The total Cost of Material Consumed for the FY 2022-23 was increased to ₹792.70 Lacs as against ₹502.04 in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Changes in Inventories:** The changes in inventories for the FY 2022-23 was ₹ (74.89) lacs as against ₹11.57 lacs in the FY 2021-22. This was mainly due to increase in closing work in progress and finished goods.

**Employee Benefit Expenses:** The Employee Benefit Expenses for the FY 2022-23 was increased to ₹1222.95 lacs as against ₹991.07 in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Finance Cost:** The Finance Cost for the FY 2022-23 was increased to ₹23.92 Lacs as against ₹16.22 Lacs in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Other Expenses:** The Other Expenses for the FY 2022-23 was increased to ₹461.11 Lacs as against ₹311.95 Lacs in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Depreciation and Amortisation Expenses:** The Depreciation and Amortisation expenses for FY 2022-23 was increased to ₹84.99 lacs as against ₹63.74 lacs in the FY 2021-22. This increase was mainly due to addition in tangible assets.

**Total Tax Expenses:** The total tax expenses for FY 2022-23 was increased to ₹125.35 lacs as against ₹66.06 lacs in the FY 2021-22. This increase was mainly due to increase in Profit before Tax

**Profit/ (Loss) Before Tax:** The restated Profit before Tax for FY 2022-23 was increased to ₹407.65 Lacs as against ₹221.25 Lacs in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2022-23 has been increased to ₹356.14 Lacs as against ₹155.19 Lacs in the FY 2021-22. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

### COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2022 WITH FISCAL 2021

#### Total Revenue

The total revenue for FY 2021-22 was increased to ₹2117.84 Lacs as against ₹1573.34 Lacs in the FY 2020-21 primarily due to increase in revenue from operations of the Company.

**Revenue from Operations:** The revenue from operation of the company for FY 2021-22 was increased to ₹2102.34 Lacs as against ₹1553.06 Lacs in the FY 2020-21. The increase in revenue is due to increase in demand of goods manufactured by us and repeated work orders from existing clients.

**Other Income:** The other income of the company for FY 2021-22 was decreased to ₹15.50 Lacs as against ₹20.28 Lacs in the FY 2020-21. This decrease was mainly due to decrease in forex gain and others during the financial year.

#### Total Expenses

The total expenses for the FY 2021-22 was increased to ₹1816.63 Lacs as against ₹1407.39 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Cost of Material Consumed:** The total Cost of Material Consumed for the FY 2021-22 was increased to ₹502.04 Lacs as against ₹364.93 in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Changes in Inventories:** The changes in inventories for the FY 2021-22 was ₹11.57 lacs as against ₹ (48.64) lacs in the FY 2020-21. This was mainly due to increase in opening of finished goods.

**Employee Benefit Expenses:** The Employee Benefit Expenses for the FY 2021-22 was increased to ₹991.07 lacs as against ₹838.34 in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Finance Cost:** The Finance Cost for the FY 2021-22 was increased to ₹16.22 Lacs as against ₹12.40 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Other Expenses:** The Other Expenses for the FY 2021-22 was increased to ₹311.95 Lacs as against ₹252.75 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Depreciation and Amortisation Expenses:** The Depreciation and Amortisation expenses for FY 2021-22 was increased to ₹63.74 lacs as against ₹54.04 lacs in the FY 2020-21. This increase was mainly due to addition in tangible assets.

**Total Tax Expenses:** The total tax expenses for FY 201-22 was increased to ₹66.06 lacs as against ₹28.52 lacs in the FY 2020-21. This increase was mainly due to increase in Profit before Tax.

**Profit/ (Loss) Before Tax:** The restated Profit before Tax for FY 2021-22 was increased to ₹221.25 Lacs as against ₹99.51 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2021-22 has been increased to ₹155.19 Lacs as against ₹68.80 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

#### **AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN HEREUNDER:**

**1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations except the Covid-19 pandemic which is still to be controlled. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 21 in the prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Expected Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by demand/supply situation, Government Policies and Taxation and Currency fluctuations.

- 5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices**  
Changes in revenue in the last financial years are as explained in the part “Comparison of the financial performance of above.
- 6. Total turnover of each major industry segment in which our Company operates**  
The Company is mainly engaged in manufacturing of wide and diversified range of products i.e. Imaging Instruments, Measuring Instruments, Spectroscopy, Analytical Instruments, Lab Instruments, Physics Lab Instruments, Breadboard/Table Tops, Optomechanics, Optics, Linear & Rotation Stages, Motorized Linear & Rotation Stages, Industrial Automation and others. Therefore, there are no separate reportable segments.
- 7. Status of any publicly announced New Products or Business Segment**  
Our Company has not announced any new product other than disclosed in this prospectus.
- 8. Seasonality of business**  
Our business is not seasonal in nature.
- 9. Competitive conditions**  
Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on page 87 and 107 respectively of the prospectus.
- 10. Details of material developments after the date of last balance sheet i.e., March 31, 2023**  
Except as mentioned in this prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*This is to certify that, except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non-payment of statutory dues, over dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or paragraph (i) of Part I of Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:*

*Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as wilful defaulters or fraudulent borrowers by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.*

#### I. CONTINGENT LIABILITIES OF OUR COMPANY:

##### a) Classification of Contingent liabilities (as on 31/03/2023) :

- Claims against the company not acknowledged as debts	₹ 17.76 lakhs
- Bank Guarantees	₹ 29.83 lakhs
- Other money for which the company is contingently liable.	Nil

##### b) Classification of Commitments into:

- Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil
- Uncalled liability on shares and other investments partly paid	Nil
- Other commitments (specifying nature)	Nil

#### II. LITIGATION INVOLVING OUR COMPANY

##### A. LITIGATION AGAINST OUR COMPANY

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Litigation involving Tax Liabilities
  - (i) Direct Tax Liabilities: NIL
  - (i) Indirect Taxes Liabilities: NIL

## 5. Other Pending Litigations:

*The Secretary, Kalamassery Municipality, Kalamassery, Ernakulam, And  
The Kalamassery Municipality, Kalamassery (Appellants/Petitioners)*

*Vs.*

*M/s. Holmarc Opto Mechatronics (P) Ltd. (Respondents-1),  
The General manager, District Industrial Centre, Kakkanad, (Respondents-2) &  
The State of Kerala, Rep. by its Secretary, Department of Industries, Thiruvananthapuram, (Respondents-3)*

<b>Court/Authority</b>	Before the Hon'ble High Court of Kerala, Ernakulam
<b>Case Number</b>	Writ Appeal No. 1876/2022
<b>Filing Date</b>	09-11-2022
<b>Registration Date</b>	12-12-2022
<b>Case Details</b>	<p>The above appeal is filed on 09-11-2022 by the Kalamassery Municipality in which the Company is the 1<sup>st</sup> respondent. The Appeal was filed challenging a judgment dated 01-07-2022 of a learned single Judge in WP(C). No.3603/2016 of the same High Court.</p> <p>The said writ petition WP(C). No.3603/2016 was filed by the Company 28-01-2016 challenging a demand notice dated 04-01-2016 for ₹ 4,79,573/- (property tax with fine) issued by the Kalamassery Municipality with respect to factory building / industrial unit of the Company as if said building was constructed without obtaining building permit from the Municipality.</p> <p>The above said demand notice were challenged on the following grounds. As per section 6 of Kerala State Single Window Clearance Boards and Industrial Township Area Development Act, 1999 ("Single Window Act"), all industrial under taking being established or proposed to establish in an industrial area declared by the government are exempted from obtaining building permit from the Municipality or Gram Panchayat, Town Planning Department or Development Authorities. Moreover, as per section 450(i) of the Kerala Municipality Act, 1994, all industrial undertakings being established or proposed to be established in an industrial area like the Company are exempted from obtaining building permits from Municipality. As per section 448 of the Kerala Municipality Act, 1994, company needs to obtain license for the construction of industry, factory or other work place or to install machineries. As evident from the Writ petition as well as the impugned judgment, the Company had applied and obtained such requisite permit and stability certificate from the concerned authorities.</p> <p>Taking note of above provisions, the learned Single Judge made observation that levying of property tax was not right and set aside the demand notice levying property tax issued by Kalamassery Municipality. Apart from setting aside the demand notice, the learned single judge also made observation that when a statute exempts or grant benefits to industrial establishments located within the notified industrial areas, the local body is precluded from taking any action on the basis of provisions of law applicable to other industrial establishments.</p> <p>Being aggrieved by the said judgement dated 01-07-2022, the above Writ Appeal was filed and the same is pending.</p> <p>Even though an interim order of stay of Judgment of the learned Single Judge was granted by the Division bench at the first instance vide an order dated 14-12-2022, that was subsequently modified vide order dated 17-02-2023, directing the appellants not to take resort any recovery proceedings for recovery of arrears of property tax.</p>
<b>Status</b>	Matter is Pending

*The Secretary, The Kalamassery Municipality, Kalamassery (Petitioner)*

*Vs.*

*M/s. Holmarc Opto Mechatronics (P) Ltd. (Respondent),*

<b>Court/Authority</b>	Before the Hon'ble High Court of Kerala, Ernakulam
<b>Filing Number</b>	WA 1061/2022
<b>Filing Date</b>	02-08-2022
<b>Registration Date</b>	Not Registered
<b>Case Details</b>	Filing No. WA No. 1061/2022 is shown as filed against the Company before the Hon'ble High Court of Kerala on 02/08/2022, as per the data available on the website of the Hon'ble High Court of Kerala. As per the data available on the said website, the case has been filed but not registered and thus has not been admitted in the court. Thus, the Company is not aware about the case.
<b>Status</b>	Matter is Pending

#### **B. CASES FILED BY OUR COMPANY**

1. **Litigation Involving Criminal matters: NIL**
2. **Litigation Involving Civil matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Other Pending Litigations: NIL**

#### **III. LITIGATION INVOLVING OUR DIRECTORS**

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

1. **Litigation Involving Criminal matters: NIL**
2. **Litigation Involving Civil matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation involving Tax Liabilities**
  - (i) **Direct Tax Liabilities: NIL**
  - (ii) **Indirect Taxes Liabilities: NIL**
5. **Other Pending Litigations:**

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

1. **Litigation Involving Criminal matters: NIL**
2. **Litigation Involving Civil matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Other Pending Litigations: NIL**

**IV. LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP**

**A. LITIGATION AGAINST OUR PROMOTERS AND PROMOTER GROUP**

1. **Litigation Involving Criminal matters: NIL**
2. **Litigation Involving Civil matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation involving Tax Liabilities**
  - (i) **Direct Tax Liabilities: Same as point no. III-A-4 (i) above.**
  - (ii) **Indirect Taxes Liabilities: NIL**
5. **Other Pending Litigations: NIL**

**B. LITIGATION FILED BY OUR PROMOTERS AND PROMOTER GROUP**

1. **Litigation Involving Criminal matters: NIL**
2. **Litigation Involving Civil matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Other Pending Litigations: NIL**

**V. LITIGATION INVOLVING OUR GROUP COMPANIES**

1. **Litigation Involving Criminal matters: NIL**
2. **Litigation Involving Civil matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation involving Tax Liabilities**
  - (i) **Direct Tax Liabilities: NIL**
  - (ii) **Indirect Taxes Liabilities: NIL**
5. **Other Pending Litigations: NIL**

**VI. Penalties imposed in past cases for the last five years: NIL**

### **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER 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:

₹ in lakhs

Particulars	No. of Creditors	Balance as on March 31, 2023
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)	61	40.24
Total Outstanding dues to Creditors other than MSME		

\* The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 and as per restated financial statements

**Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.**

Except as described above, as on date of this prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.**

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment since incorporation against our Company.

**Material Fraud against our Company in the last five years**

There has been no material fraud committed against our Company since incorporation.

**Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences for default or outstanding defaults.

**Non-Payment of Statutory Dues**

Except as disclosed in the chapter titled "**Financial Statements as Restated**" beginning on pages 188 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

**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 224 of this prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. Approvals for the Issue

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on May 23, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Annual General Meeting held on May 30, 2023 authorized the Issue.
- c) Our Company has received an in-principle approval from the National Stock Exchange of India Limited dated September 08, 2023 for listing of Equity Shares issued pursuant to the Issue.
- d) Our Company's ISIN is "INE0LXA01019".

### II. Approvals pertaining to Incorporation of our Company

Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
Certificate of Incorporation of "Holmarc Slides and Controls Private Limited"	09-06984	Companies Act, 1956	Registrar of Companies, Kerala	February 11, 1993	Till Cancelled
Certificate of Incorporation consequent upon Change of Name from "Holmarc Slides and Controls Private Limited" to "Holmarc Opto-Mechatronics Private Limited"	U33125KL1993PTC006984	Companies Act, 1956	Registrar of Companies, Kerala and Lakshadweep	May 01, 2007	Till Cancelled
Certificate of Incorporation consequent upon conversion from Private Limited to Public Company from "Holmarc Opto-Mechatronics Private Limited" to "Holmarc Opto-Mechatronics Limited"	U33125KL1993PTC006984	Companies Act, 2013	Registrar of Companies, Ernakulam	December 11, 2021	Till Cancelled

### III. Business Related Approvals

Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
Trade License*	130191012300559	Kerala Municipality Act, 1994	Kalamassery Municipality, Government of Kerala	May 21, 2023	March 31, 2024
Udyam Registration Certificate	UDYAM-KL-02-0043524	Micro, Small and Medium Enterprises Development Act, 2006	Government of India Ministry of Micro, Small and Medium Enterprises	September 16, 2022	Till Cancelled
Certificate of Importer-Exporter Code	1005001227	Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade	May 26, 2005	Till Cancelled
Provident Fund Registration	KRKCH0019383000	The Employees Provident Fund Act, 1952	Sub Regional Office Kochi (Cochin), Employees Provident Fund Organization	March 07, 2015	Till Cancelled
Employees State Insurance Registration	47000124100000506	The Employees State Insurance Act, 1948	Sub Regional Office, Employees State Insurance Corporation	October 27, 2010	Till Cancelled

\* in the name of Holmarc Opto-Mechatronics Private Limited

### IV. Operation Related Approvals

Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
Factory License	EKM/03/493/2007	The Factories Act, 1948 and The Kerala Factories Rules, 1957	Department of Factories and Boilers, Government of Kerala	October 28, 2022	December 31, 2023
Consent to Operate/ Authorization/ Registration*	O21ERRCTO917094	The Water (Prevention & Control of Pollution) Act, 1974; The Air (Prevention & Control of Pollution) Act, 1981; The Environment (Protection) Act, 1974	Kerala State Pollution Control Board	February 28, 2022	September 30, 2024
Fire No Objection Certificate	C-57/2023	The Kerala Fire Force Act, 1962	Fire and Rescue Station, Thrikkakara	January 31, 2023	January 30, 2024
Certificate of Metrology Registration	2740/2022	The Legal Metrology (Packaged Commodities) Rules 2011	Department of Legal Metrology, Government of Kerala	August 26, 2022	December 31, 2023

\* in the name of Holmarc Opto-Mechatronics Private Limited

### V. Tax Related Approvals

Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
Permanent Account Number [PAN]	AAACH9492C	Income Tax Act, 1961	Income Tax Department	December 26, 2021	Till cancelled
Tax Deduction Account Number [TAN]	CHNH02610G	Income Tax Act, 1961	Income Tax Department	February 10, 2022	Till Cancelled
Goods and Service Tax	32AAACH9492C1 ZQ	Kerala Goods and Services Act, 2017	Goods and Services Tax Department	January 15, 2022	Till Cancelled

## VI. Quality Related Approvals

Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
Certificate of Registration of ISO 9001:2015 for Design, Development and Manufacture of Scientific Instruments and Devices for Industries, Research and Educational Institutes	IND.22.8427/QM/U	Quality Management System	Bureau Veritas Certification	February 05, 2019	February 04, 2025
FIEO Registration cum Membership Certificate	KRL/17/2021-2022	Foreign Trade Policy	Federation of Indian Export Organizations (set up by Ministry of Commerce, Govt. of India)	July 03, 2023	March 31, 2025

## VII. Intellectual Property Related Approvals

Trademark	Registration No/ Application No	Class of Registration	Trademark Type	Date of Issue/ Application	Valid upto
	5260726	99	Device	December 24, 2021	December 24, 2031
CRAMLOH	5424680	9	Word	April 26, 2022	April 26, 2032

## VI. Material Licenses/ Approvals/Permission for which applications have been made by our Company but not received and/or yet to be applied by our Company

Our company is in process of updation in change of name in certain licenses i.e. Trade License and Consent to Operate.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

1. The Fresh Issue of Equity Shares in terms of this prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held May 23, 2023 on under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this prospectus has been authorized by the shareholders by special resolution at the Annual General Meeting held on May 30, 2023 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from NSE vide their letter dated September 08, 2023 to use the name of NSE in this prospectus for listing of the Equity Shares on EMERGE Platform of NSE. National Stock Exchange of India Limited is the Designated Stock Exchange.
4. Our Board has approved the Prospectus through its resolution dated September 11, 2023.

### Confirmation:

- Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of our Directors are in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.
- None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.
- There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.
- Neither our Company, nor our Promoters, our Directors, relatives (as per the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under Section titled, "**Outstanding Litigations and Material Developments**" beginning on page no. 231 of this prospectus.
- 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.

### Eligibility for the Issue

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
  - Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
  - Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board
  - Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender
  - Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our directors, are Wilful Defaulters or Fraudulent Borrowers.

- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital would be more than 10 crores, and can issue Equity Shares to the public and propose to list the same on the **EMERGE Platform of National Stock Exchange of India Limited**.

**We further confirm that:**

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE.

Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus shall also be furnished to the SEBI in a soft copy.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated September 06, 2023 with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under:**

❖ ***Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.***

Our Company is incorporated under the Companies Act, 1956 in India.

❖ ***Post Issue Paid up Capital: The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.***

The post issue paid up capital (Face Value) of the company will be ₹ 10.05 crores. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹25.00 crores.

❖ ***Net-worth: Positive Net-worth.***

As per restated financial statement, the net-worth of the company is ₹ 1,159.93 Lakhs as on March 31, 2023. Our company has positive net-worth. So, the company has fulfilled the criteria of positive net-worth of the company.

- ❖ **Track Record: The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years**

Our company was incorporated on February 11, 1993 and having track record of more than 3 years.

- ❖ **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our company is having operating profit, details are mentioned as below

(₹ in Lakhs.)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Profit Before Tax	407.65	221.25	99.51
Add: Depreciation	84.99	63.74	54.04
Add: Interest	23.92	13.60	12.40
Less: Other Income	14.77	15.50	20.28
<b>Operating Profit (earnings before interest, depreciation, and tax) from operations</b>	<b>501.79</b>	<b>283.09</b>	<b>145.67</b>

- ❖ **The application of the applicant company should not have been rejected by the Exchange in last 6 complete months.**

*This is our company's first application for listing on any stock exchange.*

- ❖ Our company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against our Company and Promoting companies
- ❖ Our Company has not received any winding up petition admitted by a NCLT/Court.
- ❖ No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company.

#### Disclosure:

We further confirm that:

- ❖ There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of our Company.
- ❖ There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.
- ❖ There are no litigations record against our Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies), except as disclosed in this Prospectus
- ❖ There are no criminal cases filed against the directors of our Company involving serious crimes like murder, rape, forgery, economic offences.

*We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.*

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE 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 ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 11, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.**

**THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR 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 THE OFFER DOCUMENT.**

**THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:**

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD

STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NSE.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE**.

**DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this prospectus or in the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

**CAUTION**

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on July 20, 2023 and the Underwriting Agreement dated September 06, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated September 06, 2023 entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters 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 of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters 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 the Equity Shares in the Issue.

#### **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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in *Ernakulam, Kerala* only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF 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/2589 dated September 08, 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.”**

**DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**LISTING**

The Equity Shares of our Company are proposed to be listed on SME EMERGE Platform of NSE. Our Company has obtained In-principle approval from NSE by way of its letter dated September 08, 2023 for listing of equity shares on EMERGE Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

**FILING**

The draft prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

After getting in-principal approval from NSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Ernakulam.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus.

**IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*Shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations 2018, **M/s. G. Joseph & Associates**, Chartered Accountant, our Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “Statement of Tax Benefits” relating to the possible tax benefits and restated financial statements as included in this prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this prospectus for filing with Roc.

## EXPERTS OPINION

Except for the reports in the Section, “**Statement of Possible Tax Benefits**” and “**Financial Statement as Restated**” on page no. 83 and page no. 188 of this prospectus from the Peer Review Auditors and Statutory Auditor respectively; our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

## PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS

Except as stated under Section titled “**Capital Structure**” beginning on page no. 60 of this prospectus our Company has not undertaken any previous public or rights issue. Further, we are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS

Since this is the initial public Issuing of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

## PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED GROUP-COMPANIES / SUBSIDIARIES/ ASSOCIATES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this prospectus. This is the initial public Issuing of our Company’s Equity Shares

## PERFORMANCE VIS-A-VIS OBJECTS–PUBLIC/RIGHT ISSUE OF OUR COMPANY

Except as stated under Section titled “**Capital Structure**” beginning on page 60 of this prospectus our Company has not undertaken any previous public or rights issue.

## PERFORMANCE VIS-A-VIS OBJECTS - LAST ISSUE OF LISTED SUBSIDIARIES/LISTED PROMOTERS

We don’t have any listed company under the same management or any listed subsidiaries or any listed promoters as on date of this prospectus.

## OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this prospectus.

## OPTION TO SUBSCRIBE

Equity Shares being issued through the prospectus can be applied for in dematerialized form only.

## STOCK MARKET DATA OF THE EQUITY SHARES

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company has appointed “**Cameo Corporate Services Limited**” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated May 30, 2023 amongst the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Vallath Parvathy, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Ms. Vallath Parvathy**  
*Company Secretary & Compliance Officer*  
**Holmarc Opto-Mechatronics Limited**  
Building No. 11/490,  
B-7, HMT Industrial Estate,  
Kalamassery, Kanayanoor Taluk,  
Ernakulam – 683503, Kerala, India  
**Contact No:** +91 484 2953780  
**Email ID:** [cs@holmarc.com](mailto:cs@holmarc.com)  
**Website:** [www.holmarc.com](http://www.holmarc.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this prospectus and hence there are no pending investor complaints as on the date of this prospectus.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

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

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## PRICE INFORMATION OF LAST 10 (TEN) ISSUED HANDLED BY THE LEAD MANAGER

### Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 <sup>th</sup> calendar days from listing
1	Agni Green Power Limited (NSE EMERGE)	5.25	10/-	01/08/2022	25.00	216.50 [2.42]	194.50 [2.58]	183.50 [1.52]
2	Upsurge Seeds of Agriculture Limited (NSE EMERGE)	22.81	120/-	11/08/2022	140.00	50.25 [0.99]	137.50 [3.08]	587.50 [0.60]
3	Naturo Indiabull Limited (BSE SME)	10.92	30/-	02/09/2022	25.00	-25.33 [-2.34]	-49.17 [7.31]	-65.00 [0.27]
4	Mega Flex Plastics Limited (NSE EMERGE)	11.40	40/-	19/09/2022	54.00	17.13 [-0.77]	14.50 [3.67]	-24.25 [-2.96]
5	Containe Technologies Limited (BSE SME)	2.62	15/-	30/09/2022	23.10	186.67 [4.41]	510.00 [6.07]	332.80 [0.33]
6	Ambo Agritec Limited (BSE SME)	10.20	30/-	02/12/2022	40.10	19.83 [-3.23]	3.70 [-5.50]	-4.70 [0.16]
7	Arham Technologies Limited (NSE EMERGE)	9.58	42/-	15/12/2022	60.00	63.10 [-2.49]	20.83 [-7.45]	92.62 [1.01]
8	Indong Tea Company Limited (BSE SME)	13.01	26/-	21/02/2023	20.80	-44.46 [-4.05]	-11.58 [1.74]	-23.08 [7.05]
9	ITCONS E-Solutions Limited (BSE SME)	8.67	51/-	13/03/2023	46.99	-0.51 [3.30]	-21.57 [7.53]	3.04 [14.36]
10	Alphalogic Industries Limited (BSE SME)	12.88	96/-	14/07/2023	96.00	84.32 [-1.12]	N. A.	N. A.

Status as on 11-09-2023

1. in case where the security is not being traded on 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, the previous working day has been considered.
2. in case where 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME/Startups and Nifty where securities have been listed in NSE Emerge.
4. N.A. – Period not completed

### Summary statement of Disclosure:

Financial Year	Total no. of IPOs <sup>#</sup>	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2020-21	1	2.40	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A
2021-22	7	73.34	N. A	1	1	3	1	1	1	1	1	2	1	1
2022-23	12	117.85	N. A	3	3	4	N. A	2	2	2	2	4	N. A	2
2023-24	1	12.88	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A

Status as on 11-09-2023

<sup>#</sup>All the IPOs mentioned above are in SME Platform

### TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED

For details regarding track record of LM 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 LM at: [www.finshoregroup.com](http://www.finshoregroup.com).

## SECTION XI: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this prospectus, the prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, 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 GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.*

### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on May 23, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Annual General Meeting held on May 30, 2023.

### RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to Section titled, ***“Description of Equity Shares and Terms of the Articles of Association”***, beginning on page 279 of this prospectus.

### OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, for further details in relation to dividends, please refer to Sections titled, ***“Dividend Policy”*** and ***“Description of Equity Shares and Terms of the Articles of Association”***, beginning on page 187 and 279 respectively, of this prospectus.

### FACE VALUE AND ISSUE PRICE

The face value of the share of our company is ₹10/- per equity share and the issue price is ₹40/- per equity share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, ***“Basis for Issue Price”*** beginning on page 81 of this prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 279 of this prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated July 06, 2023 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated July 11, 2023 between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this prospectus will be done in multiples of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

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 Rs.1,00,000 (Rupees One Lakh) per application.

## MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## JOINT HOLDERS

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

## NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the

Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

<b>ISSUE OPENS ON</b>	<b>SEPTEMBER 15, 2023</b>
<b>ISSUE CLOSSES ON</b>	<b>SEPTEMBER 20, 2023</b>

- *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.*
- *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.*
- *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.*
- *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).*

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and EMERGE Platform of NSE taking into account the total number of applications received up to the closure of timings.

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

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from NSE EMERGE may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCsBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

### **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 3,000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of NSE.

### **APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of

Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the Section titled **“Capital Structure”** beginning on page 60 of this prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, **“Description of Equity Shares and Terms of the Articles of Association”**, beginning on page 279 of this prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the EMERGE Platform of NSE.

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

### **MIGRATION TO MAIN BOARD**

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of NSE from the EMERGE platform of NSE on a later date shall be subject to the following:

- If the Paid up Capital of our Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid-up Capital of the company is more than ₹ 10 crore but below ₹25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **MARKET MAKING**

The Equity Shares offered through this Issue are proposed to be listed on the EMERGE Platform of NSE, wherein M/s. Nikunj Stock Brokers Limited is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE SME for a minimum period of three (3) years from the date of listing on the EMERGE Platform of NSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, **“General Information- Details of the Market Making Arrangements for this Issue”** beginning on page 52 of this prospectus.

## **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as Deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in *Ernakulam, Kerala*.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital would be more than ten crore rupees, issue shares to the public and propose to list the same on the EMERGE Platform of NSE. For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 251 and 259, respectively, of this prospectus.

The present Issue of 28,50,000 Equity Shares at an issue price of ₹40/- each aggregating to ₹ 1,140.00 Lakhs by our Company. The Issue and the Net Issue will constitute 28.36% and 26.93%, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	27,06,000 Equity Shares	1,44,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.95% of the Issue Size	5.05% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 3,000 Equity Shares each.  For further details please refer to “ <i>Basis of Allotment</i> ” under Section titled “ <i>Issue Procedure</i> ” beginning on page 259 of this prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process or up to Rs. 5.00 lakhs through UPI for Individual Investors	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b> 6,000 Equity Shares at Issue price of ₹40/- each so that the Application Value exceeds ₹2,00,000.  <b>For Retail Individuals:</b> 3,000 Equity Shares at Issue price of ₹40/- each.	1,44,000 Equity Shares @ ₹40/- each
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b> 27,06,000 Equity Shares at Issue price of ₹40/- each. (The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.)  <b>For Retail Individuals Investors:</b> 3,000 Equity Shares at Issue price of ₹40/- each.	1,44,000 Equity Shares @ ₹40/- each
<b>Trading Lot</b>	3,000 Equity Shares	3,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	<b>100% at the time of application</b>	<b>100% at the time of application</b>

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “*Issue Structure*” beginning on page 257 of this Prospectus.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 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: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled **“The Issue”** on page no. 48 of this Prospectus.

## WITHDRAWAL OF THE ISSUE

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

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this prospectus, which our Company will apply for only after Allotment.

## ISSUE PROGRAMME

Issue Opening Date	September 15, 2023
Issue Closing Date	September 20, 2023
Finalisation of Basis of Allotment with NSE EMERGE	September 25, 2023
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	September 26, 2023
Credit of Equity Shares to demat accounts of the Allottees	September 27, 2023
Commencement of trading of the Equity Shares on NSE EMERGE	September 28, 2023

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws.

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this prospectus is IST. 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 Issues, 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 this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## ISSUE PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by Retail Individual Investors through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Retail Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to **continue with the UPI Phase II till further notice**. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“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 the SEBI from time to time.*

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, which came into effect from May 01, 2021 had put in place measures to have a uniform policy to further streamline the processing of ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.

However, in view of the representations received from stakeholders, SEBI vide Circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 given some relaxation for the implementation timelines for the provisions of “the circular” which are as under:

- **SMS Alerts:** Para 9 of “the circular” prescribed the details to be sent by SCSB’s in SMS alerts. While SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.
- **Web Portal for CUG:** For ease of doing business, Para 10 of “the circular” prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as “CUG”) entities. In view of the representations received from the stakeholders, it has been decided that:
  - ❖ The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.

- ❖ In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details prescribed in Para 10 of “the circular” to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB’s etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.
  - ❖ The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- **Completion of Unblocks by T+4:** Para 13 of “the circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). while the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:
- ❖ The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
  - ❖ The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
  - ❖ Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1.
  - ❖ To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB’s at appropriate level.

***SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto Rs. 5 Lakhs shall use UPI.***

***Further, as per SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022. All ASBA applications in Public Issues shall be processed only after the application money is blocked in the investor’s bank accounts. The provisions of the circular shall be for all issues opening from September 01, 2022 onwards.***

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.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. 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 the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus. Further, our Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

#### ***Phased implementation of Unified Payments Interface (UPI)***

SEBI has issued the various UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. 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 ASBA) for applications by Retail Individual Investors through Designated 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 Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by Retail Individual Investors through Designated Intermediaries (other than SCSBs) 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:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Managers.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants. However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.**

### **APPLICATION FORM**

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, NSE ([www.nseindia.com](http://www.nseindia.com)), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, 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 applying in this issue is as follows:

Category	Colour
Resident Indians and 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.

\*\* Application forms will also be available on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Retail Individual Investors using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investors, 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 Retail Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

## WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- 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". Application by HUFs will be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;

- v. QIBs;
- vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- vii. Qualified Foreign Investors subject to applicable law;
- viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- ix. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
- x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- xi. Insurance companies registered with IRDAI;
- xii. Mutual Funds registered with SEBI;
- xiii. FPIs other than Category III Foreign Portfolio Investor;
- xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- xv. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- xvi. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications should not be made by:**

- i. Minors (except through their Guardians)
- ii. Partnership firms
- iii. Foreign Nationals (except NRIs)
- iv. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the "U.S. Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

**MAXIMUM AND MINIMUM APPLICATION SIZE:**

**1. For Retail Individual Applicants:**

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, **they can make Application only upto 3,000 Equity Shares.**

**2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs 2,00,000 and in multiples of 3,000 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 Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

### 3. Minimum Bid Lot: 3,000 Equity Shares

#### BASIS OF ALLOTMENT

Allotment will be made in consultation with the Designated Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) 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).
- c) For applications where the proportionate allotment works out to less than 3,000 Equity Shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 3,000 Equity Shares;
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares.
- e) 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 lower nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
  - As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the designated stock exchange.

The Executive Director/Managing Director of the Designated 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, 2018.

## **PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

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.

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 reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

## **APPLICATIONS BY ELIGIBLE NRI'S**

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

## **APPLICATIONS BY HUF**

Application by Hindu Undivided Families or HUFs should be 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". Application by HUFs will be considered at par with Applications by individuals.

## **APPLICATIONS BY FPI'S**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, 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.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **APPLICATIONS BY SCSB'S**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

#### **APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "SEBI AIF Regulations") prescribe, inter-alia, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules. Our Company and the Lead Manager will not be responsible for loss, if any, incurred by the investor on account of conversion of foreign currency.

All Non-Resident Applicants including Eligible NRIs, 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 / or commission. There is no reservation for Eligible NRIs, FIIs 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 this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the “IRDAI Investment Regulations”) are broadly set forth below:

- a) Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the

National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

*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 and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this prospectus.*

#### **ISSUE PROCEDURE FOR 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**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. 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.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.

10. 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 ₹40/- 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 Applicants shall neither withdraw nor lower the size of their applications at any stage.*** In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer 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 offer 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 below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sl. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by 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 Applicants and Retail Individual Applicants, 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.

### ALLOCATION OF EQUITY SHARES

- 1) The Issue is being made through the Fixed Price Process wherein 1,44,000 Equity Shares shall be reserved for Market Maker and 27,06,000 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants, and Non-Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation where the registered office of the Company is situated.

### ISSUANCE OF ALLOTMENT ADVICE (CAN)

- 1) Upon approval of the basis of allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. 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.
- 3) 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 DATES

Issue Opening Date	September 15, 2023
Issue Closing Date	September 20, 2023
Finalisation of Basis of Allotment with NSE EMERGE	September 25, 2023
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	September 26, 2023
Credit of Equity Shares to demat accounts of the Allottees	September 27, 2023
Commencement of trading of the Equity Shares on NSE EMERGE	September 28, 2023

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account or UPI ID, as applicable) in the Application Form if you are not a Retail Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Retail Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only except as mentioned in *SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019* & *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021*;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- 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 Equity Shares that can be held under the applicable laws or regulations or maximum

- amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number 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;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

#### ***Instructions for Completing the Application Form***

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com).

#### ***Applicant's Depository Account and Bank Details***

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### ***Submission of Application Form***

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

#### ***Communications***

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### ***Disposal of Application and Application Moneys and Interest in Case of Delay***

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### ***Right to Reject Applications***

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **OTHER INSTRUCTIONS FOR THE APPLICANTS**

#### **Joint Applications**

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. 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. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Applications**

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

#### **IMPERSONATION:**

*Attention of the application is specifically drawn to the provisions of the sub-section (1) of Section 38 of the companies Act, 2013 which is reproduced below:*

“Any person who

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount.”

#### **INVESTOR GRIEVANCE**

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the investors can contact the Compliance Officer of our Company.

## NOMINATION FACILITY TO APPLICANT

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

## GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a Limited Liability Partnership can apply in its own name.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Multiple Applications as defined in this prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and prospectus as per the instructions in this prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by NSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

### **NAMES OF ENTITIES RESPONSIBLE FOR FINALIZING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated September 06, 2023 with Lead Manager. For Further information, please refer section “*General Information*” beginning from page no 52 of this prospectus.
- b) A copy of prospectus will be filed with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That 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 in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the

balance sheet of our company indicating the form in which such unutilized monies have been invested.

- 4) 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;
- 5) 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.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated July 06, 2023 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated July 11, 2023 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. **"INE0LXA01019"**.

## RESTRICTIONS OF FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “automatic route”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “government route”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, 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. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to consult their legal counsel, to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT, 2013\***  
**(PUBLIC COMPANY LIMITED BY SHARES)**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**HOLMARC OPTO-MECHATRONICS LIMITED\***

***PRELIMINARY***

Subject as hereinafter provided the Regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 shall apply to the Company. #

***INTERPRETATION***

1) In these regulations—

- a) “The Act” means the Companies Act, 2013,
- b) “The Seal” means the common seal of the company.
- c) “The Year” means 1<sup>st</sup> April to 31<sup>st</sup> March respectively.
- d) “The Company” means **HOLMARC OPTO-MECHATRONICS LIMITED**.
- e) “Board” means Board of Directors of the Company.
- f) “Shareholder” means the duly registered holder of shares for the time being of the Company.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Words indicating the singular number shall also include plural number and vice versa.

Words indicating the masculine gender shall also include feminine gender and

Words indicating “persons” shall also include corporations.

References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.

***PUBLIC COMPANY***

2) As per Section 2(71) of the Companies Act, 2013 “Public company” means a company which—

- a) Is not a Private Company and
- b) Has a minimum paid-up share capital

Provided that a Company which is a subsidiary of a Company, not being a Private Company, shall be deemed to be a Public Company for the purpose of this Act even where such Subsidiary Company continues to be a Private Company in its articles;

### ***SHARE CAPITAL AND VARIATION OF RIGHTS***

- 3) Subject to the provisions of the Act and these Articles, the shares capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further, provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.
- 4) (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) The Company agrees to issue certificates within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- (iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 5) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on the execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
- 6) Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 7) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (i) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (ii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 8) (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

- 9) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 10) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
- 11) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered in compliance with the relevant provisions of the Companies Act, 2013 and any other applicable law.

#### **DEMATERIALIZATION OF SHARES**

- 12) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.
- 13) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.
- 14) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
- 15) In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply. Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 and any other applicable section as amended of the Depositories Act shall apply so far as applicable.
- 16) Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company on that behalf.
- 17) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

**LIEN**

- 18) (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Every fully paid shares shall be free from all lien and that in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

- 19) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

- 20) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

- 21) (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

**CALLS ON SHARES**

- 22) (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

- 23) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid in installments.
- 24) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 25) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 26) (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 27) The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### ***TRANSFER OF SHARES***

- 28) (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 29) The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
- (c) Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.
- (d) The common form of transfer shall be used by the Company.
- 30) The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

- 31) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **TRANSMISSION OF SHARES**

- 32) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 33) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 34) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 35) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **FORFEITURE OF SHARES**

- 36) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 37) The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

- 38) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 39) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 40) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 41) (i) A duly verified declaration in writing that the Declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.  
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.  
(iii) The transferee shall thereupon be registered as the holder of the share.  
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 42) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### *ALTERATION OF CAPITAL*

- 43) The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 44) Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 45) Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
- 46) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

#### ***CAPITALIZATION OF PROFIT***

- 47) (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution;
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (e) The board shall give effect to the resolution passed by the company in pursuance of this regulation
- 48) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such 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 profits resolved to be capitalized, of the amount or any part of the

amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

(iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

#### ***BUY-BACK OF SHARES***

49) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### ***GENERAL MEETINGS***

50) All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

51) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### ***PROCEEDINGS AT GENERAL MEETINGS***

52) (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

53) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

54) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

55) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### ***ADJOURNMENT OF MEETING***

56) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **VOTING RIGHTS**

- 57) Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 58) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 59) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 60) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 61) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 62) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 63) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **PROXY**

- 64) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, 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.
- 65) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 66) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:  
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **BOARD OF DIRECTORS**

- 67) The number of directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

The First Directors of the Company are:

1. JOLLY CYRIAC
2. ISHACH SAINUDDIN

- 68) (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
- 69) The Board may pay all expenses incurred in getting up and registering the company.
- 70) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 71) All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 72) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 73) (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### ***MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/KEY MANAGERIAL PERSONNEL***

- 74) The Managing Director or Whole Time Director shall be appointed in compliance with the provisions of Companies Act, 2013 and any other applicable law in force.

#### ***POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR***

- 75) The Managing Director/Whole-time Director shall be subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/whole-time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

#### ***PROCEEDINGS OF THE BOARD***

- 76) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 77) (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 78) 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.

- 79) (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 80) (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board
- 81) (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 82) (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 83) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 84) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being, entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

***CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER***

- 85) Subject to the provisions of the Act,—
- (a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or the chief financial officer so appointed may be removed by means of a resolution of the Board;
- (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***THE SEAL***

- 86) (i) **The Board shall provide for the safe custody of the seal**
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the

secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### ***DIVIDENDS AND RESERVE***

- 87) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 88) 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.
- 89) (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 90) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 91) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 92) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 93) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 94) 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.
- 95) No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law.

### ***ACCOUNTS***

- 96) (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **WINDING UP**

- 97) (a) Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (b) 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.
- (c) 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.
- (d) 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**

- 98) Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Sl.No	Name of Subscribers	Address, Description and occupation of subscribers	Signature of Subscribers
1.	JOLLY CYRIAC	s/o C.L Cyriac, Kakkattuchira, Varanadu PO, Shertalai  Business	Sd/-
2.	ISHACH	S/o TM Sainuddin, Thenduvila Pullichira P.O Kollam – 691304  Business	Sd/-

Dated this 11<sup>th</sup> day of January 1993

Witness to the above signature:

THEJUS P.R  
Chartered Account  
S/o P.K Ramakrishna Pillai  
37/1329, Kaloor P.O,  
Cochin -682017

*\*The Company was converted from private limited company to public limited company vide special resolution passed during the Extra-Ordinary General Meeting held on 17.08.2021. Consequently, a new set of Articles of Association was also adopted on the same date.*

*#The Company adopted new set of Articles of Association vide special resolution passed in the 31<sup>st</sup> Annual General Meeting held on 30<sup>th</sup> May 2023 in view of the proposed IPO.*

## SECTION XII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at Building No. 11/490, B-7, HMT Industrial Estate, Kalamassery, Kanayanoor Taluk, Ernakulam-683503, Kerala, India between 10.00 a.m. to 5.00 p.m. (IST) on all working days and will also be available at the website of our company [www.holmarc.com](http://www.holmarc.com) from the date of the prospectus until issue closing date.

#### A. Material Contracts to the Issue

1. Issue Agreement dated July 20, 2023 entered into among our Company and the Lead Manager.
2. Agreement dated May 30, 2023 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated July 06, 2023 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated July 11, 2023 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement September 06, 2023 among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated September 06, 2023 between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated September 06, 2023 between our Company and the Lead Manager.

#### B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporations of our Company dated February 11, 1993, May 01, 2007 and December 11, 2021 issued by Registrar of Companies.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated May 23, 2023 and May 30, 2023 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021.
5. Peer Review Auditors Report dated August 02, 2023 on Restated Financial Statements of our Company for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021.
6. Copy of Statement of tax benefits dated August 02, 2023 from the Statutory Auditor included in this prospectus.
7. Consents of Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue & Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the prospectus to act in their respective capacities.
8. Government Order dated October 07, 2006 issued by Revenue Department, Government of Kerala for Land measuring about 10.0625 cents (4.025 are) with Shed No. B7 comprised in Sy. No. 1037/10 (Resy No. 121/2, Block 6) situated at HMT Industrial Estate, Village – Thrikkakara North, Taluk – Knayannur, District – Ernakulam, Kerala
9. Articles of Agreement dated December 28, 2007 between The Governor of Kerala (“The Government”) and M/s. Holmarc Slides and Controls Private Limited for Land measuring about 13 cents (5.26 are) comprised in Survey No. 121/2 situated at HMT Industrial Estate, Village – Thrikkakara North, Taluk – Knayannur, District – Ernakulam, Kerala

10. Articles of Agreement dated January 20, 2011 between The Governor of Kerala (“The Government”) and M/s. Holmarc Slides and Controls Private Limited for Land measuring about 7 cents (2.835 are) situated at HMT Industrial Estate, Village – Thrikkakara North, Taluk – Knayannur, District – Ernakulam, Kerala
11. Deed of License Agreement dated January 05, 2023 executed between Kerala State Small Industries Association and Holmarc Opto-Mechatronics Limited for Ground Floor Room admeasuring 5222.5 sq.ft. situated in Building No. 11/673, HMT Industrial Estate, Kalamassery, Ernakulam, Kerala
12. In-principle listing approval dated September 08, 2023 from National Stock Exchange of India Limited for listing the Equity Shares on the EMERGE Platform of NSE.
13. Due Diligence certificate dated September 11, 2023 submitted to SEBI after filing the prospectus with RoC.

Any of the contracts or documents mentioned in this prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



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**Jolly Cyriac**  
Managing Director  
DIN: 00409364

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Ishach Sainuddin**

Whole Time Director and Chief Financial Officer

DIN: 00409402

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

*Jaya Jolly*

**Jaya Jolly**  
Whole Time Director  
DIN: 09723618

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Gopala Kurup Unnikrishna Kurup**  
Whole Time Director  
DIN: 07622598

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Jayagosh Unni Srambikkal**  
Whole Time Director  
DIN: 09257206

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Vellachalil Ramakrishnan Sanjaykumar**  
Whole Time Director  
DIN: 09257141

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Abdul Rasheed Aledath Kochunni**  
Whole Time Director  
DIN: 09257188

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Jim Jose Punnaackal Josey**  
Whole Time Director  
DIN: 09257264

Date: 11/09/2023

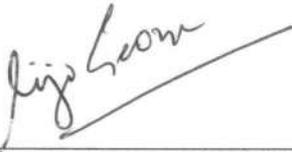
Place: Ernakulam



## DECLARATION

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**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Lijo George**  
Whole Time Director  
DIN: 09257355

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Pottekkattu Muhammed Muhammedshafi**  
Whole Time Director  
DIN: 09257403

Date: 4/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Ananthavally Raghavan Satheesh**  
Independent Director  
DIN: 09751547

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



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**Reji Zachariah**  
Independent Director  
DIN: 07402596

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Sajeev Plavita Gopinathan Nair**  
Independent Director  
DIN: 02602190

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



Tracy Tulasne Caesar  
Independent Director  
DIN: 07459768

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**



**Anju Poulse Maliyakkal**  
Independent Director  
DIN: 10132996

Date: 11/09/2023

Place: Ernakulam



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**



**Vallath Parvathy**  
Company Secretary & Compliance Officer

Date: 11/09/2023

Place: Ernakulam

