





# SHOORA DESIGNS™

## SHOORA DESIGNS LIMITED

Corporate Identification Number: U74110GJ2021PLC120894

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL	TELEPHONE	WEBSITE
Diamond Apartments Co-op Housing Society, LT H No. 7/3388/A, 6th floor, C/1, 601, Haththupura char rasta, Surat – 395003, Gujarat, India	N.A.	Ms. Priti Mohata	<a href="mailto:compliance@shooradesigns.com">compliance@shooradesigns.com</a>	+91 9004746705	<a href="http://www.shooradesigns.com">www.shooradesigns.com</a>
<b>NAME OF PROMOTERS OF THE COMPANY</b>					
Mr. Satish K Kansodariya, Mrs. Sejalben Satish Kansodariya and Mr. Rajeshbhai Labhubhai Mer					
<b>DETAILS OF ISSUE TO PUBLIC</b>					
Type	Fresh Issue Size (by ₹ in Lakhs)	OFS* (by no. of shares or by amount in ₹)	Total Size	Eligibility & Share Reservation among NII & RII	
Fresh Issue	₹ ●	Nil	₹ ●	The Issue is being made pursuant to Regulation 229 (1) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is less than ₹10.00 Cr. For details in relation to share reservation among NIIs and RIIs, see 'Issue Structure' on page 187 of this Draft Prospectus.	
*OFS: Offer for Sale					
<b>DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS - NA</b>					
<b>RISKS IN RELATION TO THE FIRST ISSUE</b> – This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each and the Issue Price is  ●  times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in 'Basis for Issue Price' on page 75 of this draft prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
<b>GENERAL RISK</b>					
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 Draft Prospectus. Specific attention of the investors is invited to the section ' <b>Risk Factors</b> ' beginning on page 27 of this Draft Prospectus.					
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this Draft 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 make this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.					
<b>LISTING</b>					
The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the BSE SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated  ●  from BSE Limited for using its name in the Draft Prospectus for listing of our shares on the BSE SME Platform of BSE Limited. For the purpose of this Issue, SME Platform of BSE Limited shall be the Designated Stock Exchange.					
<b>LEAD MANAGER</b>			<b>REGISTRAR TO THE ISSUE</b>		
 <p><b>SWARAJ SHARES AND SECURITIES PRIVATE LIMITED</b> Principal Place of Business: 304, A Wing, 215 Atrium Near Courtyard Marriot, Andheri Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India Telephone: +91-22-6964-9973 Email: <a href="mailto:compliance@swarajshares.com">compliance@swarajshares.com</a> Investor Grievance Email ID: <a href="mailto:investor.relations@swarajshares.com">investor.relations@swarajshares.com</a> Contact Person: Pankita Patel/ Tanmoy Banerjee Website: <a href="http://www.swarajshares.com">www.swarajshares.com</a> SEBI Registration Number: INM00012980 CIN: U51101WB2000PTC092621</p>			 <p><b>KFIN TECHNOLOGIES LIMITED</b> Selenium, Tower-B, Plot 31&amp; 32, Gachibowli Financial District Nanakramguda, Hyderabad – 500032, Telangana, India Telephone: +91-40-6716-2222 Email: <a href="mailto:shooradesigns.ipo@kfintech.com">shooradesigns.ipo@kfintech.com</a> Investor Grievance Email ID: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Contact Person: M Murali Krishna Website: <a href="http://www.kfintech.com">www.kfintech.com</a> SEBI Registration Number: INR000000221 CIN: L72400TG2017PLC117649</p>		
<b>ISSUE PROGRAMME</b>					
<b>ISSUE OPENS ON</b>			<b>ISSUE CLOSES ON</b>		
●  DAY,  ●  2023			●  DAY,  ●  2023		

**SHOORA DESIGNS™**  
**SHOORA DESIGNS LIMITED**

**Corporate Identification Number: U74110GJ2021PLC120894**

Our Company was originally incorporated on March 05, 2021, as a private limited Company under the name and style of Shooraa Designs Private Limited under the provisions of Companies Act, 2013. Vide Extraordinary General Meeting held on December 15, 2022, the business of M/s Rajeshbhai Labhubhai Mer, a sole proprietorship concern was taken over. Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on January 02, 2023, our Company was converted into a Public Limited Company and the name of the Company was changed to 'Shooraa Designs Limited' and a fresh Certificate of Incorporation dated January 04, 2023 issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U74110GJ2021PLC120894. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled 'General Information' and 'History and Certain Corporate Matters' beginning on page 49 and 103 respectively of this Draft Prospectus.

**Registered office:** Diamond Apartments Co-op Housing Society, LT H No. 7/3388/A, 6th floor, C/1, 601, Haththupura char rasta, Surat – 395003, Gujarat, India.

**Tel:** +91 9004746705; **E-mail:** [compliance@shooradesigns.com](mailto:compliance@shooradesigns.com); **Website:** [www.shooradesigns.com](http://www.shooradesigns.com);

**Contact Person:** Ms. Priti Mohata, Company Secretary and Compliance Officer

**PROMOTERS OF THE COMPANY: MR. SATISH K KANSODARIYA, MRS. SEJALBEN SATISH KANSODARIYA AND MR. RAJESHBHAI LABHUBHAI MER**

INITIAL PUBLIC ISSUE OF UPTO 4,24,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF SHOORA DESIGNS LIMITED (THE 'COMPANY' OR THE 'ISSUER') FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE (THE 'ISSUE PRICE') AGGREGATING TO ₹[●] ('THE ISSUE'), OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE AGGREGATING TO ₹[●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE 'MARKET MAKER RESERVATION PORTION'). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF 10 EACH AT A PRICE OF ₹[●] PER EQUITY SHARE AGGREGATING TO ₹[●] IS HEREIN AFTER REFERRED TO AS THE 'NET ISSUE'. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.

For further details see 'Terms of the Issue' beginning on page 180 of this Draft Prospectus.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility process including through UPI mode (as applicable) for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ('SCSBs') as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled 'Issue Procedure' beginning on page 190 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.

This Issue is being made in terms of chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (The 'SEBI (ICDR) Regulations'), As amended, in terms of Rule 19(2)(B)(I) of the Securities Contracts (Regulation) Rules, 1957. As amended, this is an Issue for at least 25% Of the Post-Issue Paid-Up Equity Share Capital of our Company. This Issue is a Fixed Price Issue and Allocation in the Net Issue to the Public will be made Terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 as amended. For Further Details, refer 'Issue Procedure' on page 190 of this Draft Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in 'Basis for Issue Price' on page 75 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 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 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 Draft Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 27 of this Draft Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 offered through the Draft Prospectus are proposed to be listed on the BSE SME Platform of BSE ('BSE SME'). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principle Approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the BSE SME platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the SME Platform of BSE Limited ('BSE').

**LEAD MANAGER**



**SWARAJ SHARES AND SECURITIES PRIVATE LIMITED**

**Principal Place of Business:** 304, A Wing, 215 Atrium Near Courtyard Marriot, Andheri

Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India

**Telephone:** +91-22-6964-9973

**Email:** [compliance@swarajshares.com](mailto:compliance@swarajshares.com)

**Investor Grievance Email ID:** [investor.relations@swarajshares.com](mailto:investor.relations@swarajshares.com)

**Contact Person:** Pankita Patel/ Tanmoy Banerjee

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

**SEBI Registration Number:** INM00012980

**CIN:** U51101WB2000PTC092621

**REGISTRAR TO THE ISSUE**



**KFIN TECHNOLOGIES LIMITED**

Selenium, Tower-B, Plot 31& 32, Gachibowli Financial District Nanakramguda,

Hyderabad – 500032, Telangana, India

**Telephone:** +91-40-6716-2222

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

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

**Contact Person:** M Murali Krishna

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

**SEBI Registration Number:** INR000000221

**CIN:** L72400TG2017PLC117649

**ISSUE PROGRAMME**

**ISSUE OPENS ON**

[●] DAY, [●] 2023

**ISSUE CLOSES ON**

[●] DAY, [●] 2023

## TABLE OF CONTENTS

<b>SECTION I – GENERAL</b> .....	<b>4</b>
DEFINITIONS AND ABBREVIATIONS .....	4
CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA .....	16
FORWARD LOOKING STATEMENTS .....	18
<b>SECTION II – SUMMARY OF THE DRAFT PROSPECTUS</b> .....	<b>20</b>
<b>SECTION III – RISK FACTORS</b> .....	<b>27</b>
<b>SECTION IV – INTRODUCTION</b> .....	<b>46</b>
THE ISSUE .....	46
SUMMARY FINANCIAL STATEMENTS .....	47
GENERAL INFORMATION .....	50
CAPITAL STRUCTURE .....	58
<b>SECTION VII – PARTICULARS OF THE ISSUE</b> .....	<b>69</b>
OBJECTS OF THE ISSUE .....	69
BASIS OF ISSUE PRICE .....	75
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS .....	79
<b>SECTION VIII – ABOUT OUR COMPANY</b> .....	<b>82</b>
INDUSTRY OVERVIEW .....	82
OUR BUSINESS .....	90
KEY INDUSTRY REGULATIONS AND POLICIES .....	95
HISTORY AND CERTAIN OTHER CORPORATE MATTERS .....	103
OUR MANAGEMENT .....	110
OUR PROMOTERS AND PROMOTER GROUP .....	121
DIVIDEND POLICY .....	125
<b>SECTION IX – FINANCIAL INFORMATION</b> .....	<b>126</b>
RESTATED FINANCIAL STATEMENTS .....	130
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS .....	154
<b>SECTION X – LEGAL AND OTHER INFORMATION</b> .....	<b>161</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	161
GOVERNMENT AND OTHER APPROVALS .....	165
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	168
<b>SECTION XI – ISSUE INFORMATION</b> .....	<b>180</b>
TERMS OF THE ISSUE .....	180
ISSUE STRUCTURE .....	187
ISSUE PROCEDURE .....	190
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	218
<b>SECTION XII – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION</b> .....	<b>219</b>
<b>SECTION XIII – OTHER INFORMATION</b> .....	<b>260</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	260
<b>DECLARATION</b> .....	<b>262</b>

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies or unless otherwise specified, the following terms and abbreviations have the following meanings in this Draft Prospectus, and references to any statute or rules or guidelines or regulations or circulars or notifications or policies will include any amendments, clarifications, modifications, replacements or re-enactments notified thereto, from time to time.

The words and expressions used but not defined in this Draft Prospectus will (to the extent applicable) have the same meaning as assigned to such terms under the Companies Act 2013, the Securities and Exchange Board of India Act, 1992 (the ‘SEBI Act’), the Securities Contracts (Regulation) Act, 1956 (the ‘SCRA’), the Depositories Act, 1996 (the ‘Depositories Act’) and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in the sections titled ‘Risk Factors’, ‘Summary of the Draft Prospectus’, ‘Basis of Issue Price’, ‘Statement of Possible Special Tax Benefits’, ‘Industry Overview’, ‘Our Business’, ‘Key Industry Regulations and Policies’, ‘Financial Information’, ‘Outstanding Litigation and Material Developments’, ‘Government and Other Approvals’, and ‘Description of Equity Shares and Terms of Articles of Association’ beginning on pages 27, 20, 75, 79, 82, 90, 95, 126, 161, 165 and 219 respectively, in this Draft Prospectus, will have the meaning ascribed to such terms in these respective section.

General Terms	
Term	Description
‘Shoora’, ‘the Company’, ‘our Company’, ‘Shoora Designs Limited’	Shoora Designs Limited, a company incorporated in India under the provisions of the Companies Act, 2013, having its registered office situated at Diamond Apartments Co-op Housing Society, LT H No. 7/3388/A, 6th floor, C/1, 601, Haththupura char rasta, Surat – 395003, Gujarat, India
Promoter (s)	The promoters of our Company are Mr. Satish K Kansodariya, Mrs. Sejalben Satish Kansodariya and Mr. Rajeshbhai Labhubhai Mer. For further details, please refer to section titled ‘Our Promoters and Promoter Group’ beginning on page 121 of this Draft Prospectus;
Promoter Directors	Mr. Satish K Kansodariya, Mrs. Sejalben Satish Kansodariya and Mr. Rajeshbhai Labhubhai Mer are the promoters and also hold directorship in the capacity of being Chairman and Managing Director, Non-Executive Director (Woman Director), and Whole Time Director respectively of our Company. For further details, please refer to section titled ‘Our Management’ and ‘Our Promoters and Promoter Group’ beginning on page 110 and ending on page 121 of this Draft Prospectus;
‘we’, ‘us’, ‘our’	Unless the context otherwise indicates or implies, refers to our Company;
‘you’, ‘your’, ‘yours’	Prospective investors in this Issue;

Company Related Terms	
Term	Description
‘AoA’, ‘Articles of Association’, ‘Articles’	The articles of association of our Company, as amended;
‘Audit Committee’	The Committee of the Board of Directors constituted on January 16, 2023, the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013, as described under section titled ‘Our Management’ beginning on page 110 of this Draft Prospectus;
‘Auditors’, ‘Statutory Auditors’	The statutory auditors of our Company, being M/s Piyush Kothari & Associates, Chartered Accountants, bearing Firm Registration No. 140711W;
‘Bankers to our Company’	IndusInd Bank Limited is the bankers to our Company, as described under section titled ‘General Information’ beginning on page 49 of this Draft Prospectus;
‘Board’, ‘Board of Directors’	The Board of Directors of our Company, including all duly constituted committees thereof. For further details of our Directors, please refer to the section titled ‘Our Management’ beginning on page 110 of this Draft Prospectus;
‘CFO’, ‘Chief Financial Officer’	The Chief Financial Officer of our Company being Mr. Ashwin Madhabhai Makwana;
‘Chairman’, ‘Chairperson’	The Chairman/ Chairperson of the Board of Directors of our Company being Mr. Satish K Kansodariya;

<b>Company Related Terms</b>	
<b>Term</b>	<b>Description</b>
‘CIN’	Corporate Identification Number of our Company i.e., U74110GJ2021PLC120894;
‘Compliance Officer’	The Compliance Officer of our Company being Ms. Priti Mohata;
‘Corporate Office’	The Corporate Office of our Company is the same as our Registered Office and is situated at Diamond Apartments Co-op Housing Society, LT H No. 7/3388/A, 6th floor, C/1, 601, Haththupura char rasta, Surat – 395003, Gujarat, India;
‘Directors’, ‘our Directors’	The director(s) on our Board of Directors, as described in the section titled ‘ <i>Our Management</i> ’ beginning on page 110 of this Draft Prospectus;
‘Equity Shares’	The equity shares of our Company having face value of ₹10.00/- (Rupees Ten only) each, unless otherwise specified in the context thereof;
‘Equity Shareholders’	Persons/ Entities holding Equity Shares of our Company;
‘Executive Directors’	Executive Directors are the managing director and whole-time directors of our Company;
‘Group Company’	Companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the ‘Restated Financial Statements’ as covered under the applicable accounting standards, and as disclosed in the section titled ‘ <i>Our Group Companies</i> ’ beginning on page 124 of this Draft Prospectus;
‘Independent Director(s)’	Non-Executive and Independent director(s) on our Board who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations. For details of the Independent Directors, refer the section ‘ <i>Our Management</i> ’ beginning on page 110 of this Draft Prospectus;
‘Indian GAAP’	Generally Accepted Accounting Principles in India;
‘ISIN’	International Securities Identification Number. In this case being INE00JZ01019;
‘KMP’, ‘Key Managerial Personnel’	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013, as described in the section ‘ <i>Our Management</i> ’ beginning on page 110 of this Draft Prospectus;
‘Managing Director’	The Managing Director of our Company being Mr. Satish K Kansodariya, as described in the section ‘ <i>Our Management</i> ’ beginning on page 110 of this Draft Prospectus;
‘Materiality Policy’	The policy adopted by our Board pursuant to its resolution dated February 06, 2023 for identification of material Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the requirements under the SEBI (ICDR) Regulations;
‘MoA’, ‘Memorandum of Association’	The memorandum of association of our Company, as amended;
‘Nomination and Remuneration Committee’	The committee of the Board of Directors constituted on January 16, 2023, as our Company’s Nomination and Remuneration Committee, as described in the section ‘ <i>Our Management</i> ’ beginning on page 110 of this Draft Prospectus;
‘Non-Executive Director’	A Director not being an Executive Director of our Company;
‘Peer Review Auditor’	Independent Auditor having a valid Peer Review certificate in our case being, M/s Piyush Kothari & Associates, Chartered Accountants, bearing Firm Registration No. 140711W;
‘Promoter Group’	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, as described in the section ‘ <i>Our Promoters and Promoter Group</i> ’ beginning on page 121 of this Draft Prospectus;
‘Registered Office’	The registered of our Company is situated at Diamond Apartments Co-op Housing Society, LT H No. 7/3388/A, 6th floor, C/1, 601, Haththupura char rasta, Surat – 395003, Gujarat, India;
‘Restated Financial Statements’	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, for the nine-months period ending on December 31, 2022, and for the Financial Years 2021-2022, 2020-2021, and 2019-2020 together with the annexure and notes thereto;
‘RoC’, ‘Registrar of Companies’	Registrar of Companies, Ahmedabad, Gujarat;
‘Stakeholders’ Relationship Committee’	The committee of the Board of Directors constituted on January 16, 2023, as our Company’s Stakeholders’ Relationship Committee, as described in the section ‘ <i>Our Management</i> ’ beginning on page 110 of this Draft Prospectus;

<b>Company Related Terms</b>	
<b>Term</b>	<b>Description</b>
‘Subscriber to MOA’, ‘Initial Promoter’	Initial Subscriber to MoA and AoA, being Mr. Satish K Kansodariya and Mr. Vipulbhai Karmshibhai Anghan;
‘Whole-time Director’	A whole-time director of our Company;

<b>Issue Related Terms</b>	
<b>Term</b>	<b>Description</b>
‘Abridged Prospectus’	Abridged Prospectus to be issued under Regulation 255 of SEBI (ICDR) Regulations and appended to the Application Form;
‘Acknowledgement Slip’	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form;
‘Allot’ / ‘Allotment’ / ‘Allotted’	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Applicants, including transfer of the Equity Shares pursuant to the Issue to the successful Applicants;
‘Allotment Advice’	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange;
‘Allottees’	The successful Applicant to whom the Equity Shares are being/ have been Allotted;
‘Applicant’ / ‘Investor’	Any prospective applicant who makes an application for Equity Shares in terms of this Draft Prospectus;
‘Application Amount’	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Draft Prospectus;
‘Application Form’	The form in terms of which the Applicant shall apply for the Equity Shares of the Company;
‘Application Supported by Blocked Amount’, ‘ASBA’	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism;
‘ASBA Account’	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant;
‘ASBA Applicant(s)’	Any prospective Applicant who makes an application pursuant to the terms of the Prospectus and the Application Form;
‘ASBA Application’, ‘Application’	An Application Form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus;
‘Banker(s) to the Company’	Such bank which is disclosed as Banker to our Company as described under section titled ‘ <i>General Information</i> ’ beginning on page 49 of this Draft Prospectus;
‘Banker(s) to the Issue’	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●];
‘Banker to the Issue Agreement’	Agreement dated [●] 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 under the section titled ‘ <i>Issue Procedure</i> ’ beginning on page 190 of this Draft Prospectus;
‘Bidding Centres’	Centres at which the Designated Intermediaries shall accept the Application Forms i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs;
‘Broker Centres’	Broker centres notified by the stock exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com)
‘BSE SME’	The SME Platform of BSE Limited for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time;
‘Business Day’	Monday to Friday (except public holidays)

<b>Issue Related Terms</b>	
<b>Term</b>	<b>Description</b>
<b>‘CAN’, ‘Confirmation of Allocation Note’</b>	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange;
<b>‘Client-ID’</b>	Client identification number maintained with one of the Depositories in relation to Demat account;
<b>‘Collecting Depository Participant(s)’, ‘CDP(s)’</b>	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 SEBI circular bearing reference number GR/CFD/POLICYCELL/11/2015 dated November 10, 2015;
<b>‘Compliance Officer’</b>	Compliance officer for the Issue in terms of the SEBI (ICDR) Regulations;
<b>‘Controlling Branches’</b>	Such branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time;
<b>‘Demographic Details’</b>	Details of the Applicants including the Applicants’ address, name of the Applicants’ father/husband, investor status, occupation and bank account details and UPI-ID wherever applicable;
<b>‘Depositories’</b>	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e., CDSL and NSDL;
<b>‘Depositories Act’</b>	The Depositories Act, 1996, as amended from time to time;
<b>‘Designated Date’</b>	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue;
<b>‘Designated Branches’</b>	Such branches of the SCSBs which shall collect the ASBA Forms, 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> or at such other website as may be prescribed by SEBI from time to time;
<b>‘Designated Intermediaries’, ‘Collecting Agent’</b>	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs;
<b>‘Designated CDP Locations’</b>	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the stock exchange;
<b>‘Designated Market Maker’</b>	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations;
<b>‘Designated RTA Locations’</b>	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange;
<b>‘Designated SCSB Branches’</b>	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> ; Intermediaries or at such other website as may be prescribed by SEBI from time to time;



Issue Related Terms	
Term	Description
‘Designated Stock Exchange’	The SME Platform of BSE Limited i.e., BSE SME for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time;
‘DP’	Depository Participant;
‘DP-ID’	Depository Participant’s Identity Number;
‘Draft Prospectus’	This Draft Prospectus dated Thursday, April 06, 2023 issued in accordance with the SEBI (ICDR) Regulations;
‘Eligible NRI(s)’	A Non-Resident Indian from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares;
‘Electronic Transfer of Funds’	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable;
‘Escrow Account’	Accounts opened with the Banker to the Issue;
‘Escrow Agreement’, ‘Banker to the Issue Agreement’	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
‘First Applicant’, ‘Sole Applicant’	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Applicants, whose name appears as the first holder of the beneficiary account held in joint names
‘Foreign Portfolio Investor’, ‘FPIs’	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2019;
‘Fugitive Economic Offender’	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
‘General Information Document’, ‘GID’	The General Information Document for investing in public issues prepared and issued in accordance with the circular bearing reference number ‘SEBI/HO/CFD/DIL1/CIR/P/2020/37’ dated March 17, 2020, suitably modified and updated pursuant to, among others, vide circular bearing reference number ‘SEBI/HO/CFD/DIL2/CIR/P/2020/50’ dated March 30, 2020 issued by SEBI and UPI Circulars. The General Information Document is available on the websites of the Stock Exchange, and the Lead Manager;
‘GIR Number’	General Index Registry Number;
‘Issue’, ‘Issue Size’, ‘Public Issue’, ‘IPO’	This Initial Public Issue of up to 4,24,000 (Four Lakh Twenty Four Thousand) Equity Shares for cash at an Issue Price of ₹ [●]/- per Equity Share aggregating to ₹[●] Thousands by our Company;
‘Issue Closing Date’	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●];
‘Issue Opening Date’	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●];
‘Issue Period’	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications;
‘Issue Price’	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under this Draft Prospectus being ₹ [●]/- per Equity Share;
‘Issue Proceeds’	Proceeds to be raised by our Company through this Issue, for further details please refer section titled ‘ <i>Objects of the Issue</i> ’ beginning on page 69 of this Draft Prospectus;
‘Issuer Agreement’	The agreement dated Monday, April 03, 2023, among our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue;
‘KPI’	Key Performance Indicator(s)
‘Lead Manager’	The Lead Manager to the Issue is Swaraj Shares and Securities Private Limited;
‘Listing Agreement’	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE SME;



<b>Issue Related Terms</b>	
<b>Term</b>	<b>Description</b>
<b>‘Lot Size’, ‘Market Lot’</b>	The Market lot and Trading lot for the Equity Shares is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful Applicants;
<b>‘Market Maker Reservation Portion’</b>	The reserved portion of [●] Equity Shares at an Issue Price of ₹[●]/- aggregating to ₹[●] Thousands for Designated Market Maker in the Public Issue of our Company;
<b>‘Market Making Agreement’</b>	The Agreement between the Market Maker, the Lead Manager and our Company dated [●];
<b>‘Minimum Promoters’ Contribution’</b>	Aggregate of 20.00% (Twenty percent) of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20.00% (Twenty percent) and locked-in for a period of 3 (Three) years from the date of Allotment;
<b>‘Mobile App(s)’</b>	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intMid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intMid=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism;
<b>‘Mutual Fund’</b>	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended;
<b>‘Net Issue’</b>	The Net Issue of [●] Equity Shares at ₹[●]/- per Equity Share aggregating to ₹[●]/- Thousands by our Company.
<b>‘Non-Institutional Applicant’</b>	All Applicants including FPIs that are not Qualified Institutional Buyers or Retail Individual Applicants and who have Applied for Equity Shares for a cumulative amount more than ₹2,00,000.00/- (Rupees Two Lakhs Only) (but not including NRIs other than Eligible NRIs, QFIs other than Eligible QFIs)
<b>‘Non-Resident’</b>	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
<b>‘OCB’, ‘Overseas Corporate Body’</b>	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% (Sixty Percent) by NRIs including overseas trusts, in which not less than 60.00% (Sixty Percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA;
<b>‘Other Investor’</b>	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;
<b>‘Person(s)’</b>	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;
<b>‘Pricing Date’</b>	The date on which our Company in consultation with the Lead Manager, finalize the Issue Price;
<b>‘Prospectus’</b>	The prospectus to be filed with the RoC containing, <i>inter alia</i> , the Issue Opening Date and Issue Closing Date and other information;
<b>‘Public Issue Account’</b>	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date;
<b>‘Qualified Foreign Investors’, ‘QFIs’</b>	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI;
<b>‘Qualified Institutional Buyers’, ‘QIBs’</b>	Qualified Institutional Buyers as defined under clause (ss) of Sub-Regulation (1) of Regulation 2 of the SEBI (ICDR) Regulations;
<b>‘Refund Account’</b>	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made
<b>‘Refund Bank(s)’</b>	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●];
<b>‘Registered Broker’</b>	Individuals or companies registered with SEBI as ‘Trading Members’(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or

<b>Issue Related Terms</b>	
<b>Term</b>	<b>Description</b>
	sell securities listed on stock exchanges, a list of which is available on <a href="https://www.bseindia.com/members/MembershipDirectory.aspx">https://www.bseindia.com/members/MembershipDirectory.aspx</a> ;
<b>‘Registrar Agreement’</b>	The agreement dated February 06, 2023 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue;
<b>‘Registrar and Share Transfer Agents’, ‘RTAs’</b>	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of SEBI circular bearing reference number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015;
<b>‘Registrar to the Issue’</b>	Registrar to the Issue being KFin Technologies Limited;
<b>‘Resident Indian’</b>	A person resident in India, as defined under FEMA;
<b>‘Retail Individual Investors’</b>	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹2.00 Lakhs (Rupees Two Lakhs only);
<b>‘Revision Form’</b>	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Application during the Issue Period and withdraw their applications until Issue Closing Date;
<b>‘SCRA’</b>	The Securities Contracts (Regulation) Act, 1956 as amended from time to time;
<b>‘SEBI’</b>	The Securities and Exchange Board of India;
<b>‘SEBI Act’</b>	the Securities and Exchange Board of India Act, 1992, as amended from time to time;
<b>‘SEBI Regulations’ (SAST)</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>‘SEBI Regulations’ (ICDR)</b>	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>‘SEBI Insider Trading Regulations’</b>	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;
<b>‘SEBI Regulations’ (LODR)</b>	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time;
<b>‘SEBI Regulations’ (PFUTP)</b>	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003, as amended, including instructions and clarifications issued by SEBI from time to time;
<b>‘Self-Certified Syndicate Bank(s)’, ‘SCSBs’</b>	The banks registered with SEBI, offering services, in relation to ASBA where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time;
<b>‘Specified Locations’</b>	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants;
<b>‘Sponsor Bank’</b>	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the Lead Manager to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●];
<b>‘TRS’, ‘Transaction Registration Slip’</b>	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
<b>‘Underwriters’</b>	[●];

<b>Issue Related Terms</b>	
<b>Term</b>	<b>Description</b>
<b>‘Underwriters Agreement’</b>	The agreement dated [●] between the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC;
<b>‘Unified Payments Interface’, ‘UPI’</b>	The instant payment system developed by the National Payments Corporation of India. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person’s bank accounts using a payment address which uniquely identifies a person’s bank Account;
<b>‘UPI-ID’</b>	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI);
<b>‘UPI Applicant’</b>	Collectively, individual Applicants applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹5.00 Lakhs (Rupees Five Lakhs only) in the Non-Institutional Portion. Pursuant to SEBI circular bearing reference number ‘SEBI/HO/CFD/DIL2/P/CIR/P/2022/45’ dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹5.00 Lakhs (Rupees Five Lakhs only) shall use UPI and shall provide their UPI-ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
<b>‘UPI Circulars’</b>	Collectively, the SEBI circulars bearing reference numbers ‘SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018’, ‘SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019’, ‘SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019’, ‘SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019’, ‘SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019’, ‘SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020’, ‘SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021’, ‘SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021’, ‘SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021’, ‘SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022’, ‘SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022’, ‘SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022’, and any subsequent circulars or notifications issued by SEBI in this regard.
<b>‘UPI Mandate Request’</b>	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment;
<b>‘UPI mechanism’</b>	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular bearing reference number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard;
<b>‘UPI-PIN’</b>	Password to authenticate UPI transaction;
<b>‘U.S. Securities Act’</b>	U.S. Securities Act of 1933, as amended;
<b>‘Wilful Defaulter or a Fraudulent Borrower’</b>	Wilful defaulter or a Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations
<b>‘Working Day’</b>	In accordance with clause (mmm) of Sub-Regulation (1) of Regulation 2 of SEBI (ICDR) Regulation, working day means all days on which commercial banks in the city as specified in the Draft Prospectus are open for business;

Issue Related Terms	
Term	Description
	However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Draft Prospectus are open for business; In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016;

Technical And Industry Related Terms	
Term	Description
'BPD'	Business and Planning Development;
'B2B'	Business to Business
'CAGR'	Compound Annual Growth Rate
'CY'	Current Year
'MoU'	Memorandum of Understanding
'D2C'	Direct to Consumer
'FDI'	Foreign Direct Investment
'F&B'	Food and Beverage
'FMCG'	Fast-moving consumer goods
'GVA'	Gross Value Added;
'GJEPC'	Gems and Jewellery Export Promotion Council;
'G & J'	Gems and Jewellery
'IIDGR'	The International Institute of Diamond Grading & Research
'IMF'	International Monetary Fund;
'MSME'	Micro, Small & Medium Enterprises
'WGC'	World Gold Council

Abbreviations	
Term	Description
'A/c'	Account;
'AGM'	Annual General Meeting;
'AIF'	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012;
'AS', 'Accounting Standards'	Accounting Standards as issued by the Institute of Chartered Accountants of India;
'ASBA'	Applications Supported by Blocked Amount;
'AY'	Assessment Year;
'BSE'	BSE Limited;
'CAGR'	Compound Annual Growth Rate;
'CAPEX'	Capital Expenditure;
'Category I Foreign Portfolio Investor(s)', 'Category I FPIs'	FPIs who are registered as 'Category I Foreign Portfolio Investors' under the SEBI FPI Regulations;
'Category II Foreign Portfolio Investor(s)', 'Category II FPIs'	FPIs who are registered as 'Category II Foreign Portfolio Investors' under the SEBI FPI Regulations;
'CDSL'	Central Depository Services (India) Limited;
'CEO'	Chief Executive Officer;
'CFO'	Chief Financial Officer;
'CII'	Confederation of Indian Industry;
'CIN'	Company Identification Number;
'CIT'	Commissioner of Income Tax;
'Client-ID'	Client identification number of the Applicant's beneficiary account;
'Companies Act, 2013'	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013

<b>Abbreviations</b>	
<b>Term</b>	<b>Description</b>
	(to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification;
<b>‘Companies Act, 1956’</b>	The Companies Act, 1956, as amended from time to time;
<b>‘Companies Act, 2013’</b>	The Companies Act, 2013 published on August 29, 2013, and applicable to the extent notified by MCA till date;
<b>‘Contract Act’</b>	The Indian Contract Act, 1872 as amended from time to time;
<b>‘COVID – 19’</b>	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020;
<b>‘CPI’</b>	Consumer Price Index;
<b>‘CSR’</b>	Corporate Social Responsibility;
<b>‘CST’</b>	Central Sales Tax;
<b>‘CY’</b>	Calendar Year;
<b>‘DIN’</b>	Director Identification Number;
<b>‘DP’</b>	Depository Participant, as defined under the Depositories Act 1996;
<b>‘DP-ID’</b>	Depository Participant’s identification;
<b>‘EBITDA’</b>	Earnings before Interest, Taxes, Depreciation and Amortization;
<b>‘ECS’</b>	Electronic Clearing System;
<b>‘EGM’</b>	Extraordinary General Meeting;
<b>‘EMDEs’</b>	Emerging Markets and Developing Economies;
<b>‘EOU’</b>	Export Oriented Unit;
<b>‘EPS’</b>	Earnings Per Share;
<b>‘FCNR Account’</b>	Foreign Currency Non Resident Account;
<b>‘FDI’</b>	Foreign Direct Investment;
<b>‘FEMA’</b>	Foreign Exchange Management Act, 1999, read with rules and regulations there under;
<b>‘FEMA Regulations’</b>	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017;
<b>‘FIIs’</b>	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India;
<b>‘FPIs’</b>	Foreign Portfolio Investors as defined under the SEBI FPI Regulations;
<b>‘FIPB’</b>	Foreign Investment Promotion Board;
<b>‘FVCI’</b>	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations;
<b>‘FY’, ‘Fiscal’, ‘Financial Year’</b>	Period of twelve months ended March 31 of that particular year, unless otherwise stated;
<b>‘GDP’</b>	Gross Domestic Product;
<b>‘GoI’, ‘Government’</b>	Government of India;
<b>‘GST’</b>	Goods & Services Tax;
<b>‘GVA’</b>	Gross Value Added;
<b>‘HNIs’</b>	High Net worth Individuals;
<b>‘HUF’</b>	Hindu Undivided Family;
<b>‘IAS Rules’</b>	Indian Accounting Standards, Rules 2015;
<b>‘ICAI’</b>	The Institute of Chartered Accountants of India;
<b>‘ICSI’</b>	Institute of Company Secretaries of India;
<b>‘IFRS’</b>	International Financial Reporting Standards;
<b>‘IMF’</b>	International Monetary Fund;
<b>‘IMPS’</b>	Immediate Payment Service;
<b>‘Indian GAAP’</b>	Generally Accepted Accounting Principles in India;
<b>‘I.T. Act’</b>	Income Tax Act, 1961, as amended from time to time;
<b>‘IPO’</b>	Initial Public Offering;
<b>‘IPR’</b>	Intellectual Property Rights;
<b>‘ISIN’</b>	International Securities Identification Number;
<b>‘ISO’</b>	International Organization for Standardization;
<b>‘KM’, ‘Km’, ‘km’</b>	Kilo Meter;
<b>‘LMT’</b>	Lakh Metric Tonnes

<b>Abbreviations</b>	
<b>Term</b>	<b>Description</b>
‘Merchant Banker’	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
‘MoF’	Ministry of Finance, Government of India;
‘MICR’	Magnetic Ink Character Recognition;
‘MOF’	Ministry of Finance, Government of India;
‘MOU’	Memorandum of Understanding;
‘NA’, ‘N. A.’	Not Applicable;
‘NACH’	National Automated Clearing House;
‘NAV’	Net Asset Value;
‘NECS’	National Electronic Clearing Service;
‘NEFT’	National Electronic Fund Transfer;
‘No.’	Number;
‘NOC’	No Objection Certificate;
‘NPCI’	National Payments Corporation of India;
‘NRE Account’	Non Resident External Account;
‘NRIs’	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000;
‘NRO Account’	Non Resident Ordinary Account;
‘NSDL’	National Securities Depository Limited;
‘p.a.’	per annum;
‘P/E Ratio’	Price/Earnings Ratio;
‘PAC’	Persons Acting in Concert;
‘PAN’	Permanent Account Number;
‘PAT’	Profit After Tax;
‘PBT’	Profit Before Tax;
‘PLR’	Prime Lending Rate;
‘POA’	Power of Attorney;
‘RBI’	Reserve Bank of India;
‘R&D’	Research and Development;
‘Regulation S’	Regulation S under the U.S. Securities Act;
‘RoC’	Registrar of Companies;
‘RoE’	Return on Equity;
‘RoNW’	Return on Net Worth;
‘Rupees’, ‘Rs.’, ‘₹’	Rupees, the official currency of the Republic of India;
‘RTGS’	Real Time Gross Settlement;
‘SCRA’	Securities Contract (Regulation) Act, 1956, as amended from time to time;
‘SCRR’	Securities Contracts (Regulation) Rules, 1957, as amended from time to time;
‘SEBI’	Securities and Exchange Board of India;
‘SEBI Act’	Securities and Exchange Board of India Act, 1992;
‘SEBI AIF Regulations’	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012;
‘SEBI FII Regulations’	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
‘SEBI FPI Regulations’	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
‘SEBI FVCI Regulations’	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000;
‘SEBI VCF Regulations’	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations;
‘Sec.’	Section;
‘Securities Act’	U.S. Securities Act of 1933, as amended;
‘SICA’	Sick Industrial Companies (Special Provisions) Act, 1985;
‘SME’	Small and Medium Enterprises;
‘STT’	Securities Transaction Tax;
‘TAN’	Tax Deduction and Collection Account Number;
‘TIN’	Taxpayers Identification Number;

<b>Abbreviations</b>	
<b>Term</b>	<b>Description</b>
<b>‘TDS’</b>	Tax Deducted at Source;
<b>‘UPI’</b>	Unified Payments Interface;
<b>‘US’, ‘United States’</b>	United States of America;
<b>‘USD’, ‘US\$’, ‘\$’</b>	United States Dollar, the official currency of the United States of America;
<b>‘VAT,</b>	Value Added Tax;
<b>‘VCF’, ‘Venture Capital Fund’</b>	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India;



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

### Certain Conventions

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

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

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

In this Draft Prospectus, the terms 'we', 'us', 'our', the 'Company', 'our Company', 'Shoora', 'Shoora Designs Limited' and, unless the context otherwise indicates or implies, refers to Shoora Designs Limited. In this Draft 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 Lac / Lakh', the word 'Crore' means 'ten million' and the word 'billion (bn)' means 'one hundred crore'. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### Page Numbers

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

### Financial Data

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the Restated Financial Statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations and Guidance Note on '*Reports in Company Prospectus (Revised 2019)*' issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the section titled '**Restated Financial Statements**' beginning on page 130 of this Draft Prospectus.

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

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

There are significant differences between Indian GAAP, IFRS and US GAAP. Our Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in '**Risk Factors**', '**Our Business**' and '**Management's Discussion and Analysis of Financial Position and Results of Operations**' beginning on page 27, 90 and 154, respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

### Currency, Units of Presentation and Exchange Rates

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

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

## **Definitions**

For definitions, please refer the section titled '*Definitions and Abbreviations*' beginning on page 4 of this Draft Prospectus. In the section titled '*Description of Equity Shares and Terms of Articles of Association*' beginning on page 219 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## **Industry and Market Data**

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

## FORWARD LOOKING STATEMENTS

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

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

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

- Demand for our diamonds and jewelry products;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Shortage of, and price increases in, materials and skilled and unskilled employee, and inflation in key supply market;
- Failure to comply with environmental, labor, health and safety laws and regulations may affect our business;
- Factors affecting gems and jewelry industry;
- consumer tastes and preferences for diamonds and fine jewelry;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;

- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition; and
- The availability of finance on favorable terms for our business and for our customers.

For further discussions of factors that could cause our actual results to differ, please refer the sections titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Position and Results of Operations*' beginning on pages 27, 90 and 154 respectively of this Draft Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Draft Prospectus and are not a guarantee of future performance.

Our Company, our Directors, our officers, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the stock exchange.

In accordance with the SEBI (ICDR) Regulations, our Company will ensure that Investors in India are informed of material developments from the date of filing of the Prospectus until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II – SUMMARY OF THE DRAFT PROSPECTUS

*The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of the disclosures in this Draft Prospectus or all details relevant to prospective Investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including ‘Risk Factors’, ‘The Issue’, ‘Capital Structure’, ‘Objects of the Issue’, ‘Industry Overview’, ‘Our Business’, ‘Our Promoters and Promoter Group’, ‘Financial Information’, ‘Outstanding Litigation and Material Developments’, ‘Issue Procedure’ and ‘Description of Equity Shares and Terms of Articles of Association’ beginning on pages 27, 46, 58, 69, 82, 90, 121, 126, 161, 190, and 219 respectively.*

### Primary Business

Our Company was originally incorporated on March 05, 2021, as a private limited Company under the name and style of Shoora Designs Private Limited under the provisions of Companies Act, 2013. In the Financial Year of 2023, vide an Extraordinary General Meeting held on December 15, 2022, the business of M/s Rajeshbhai Labhubhai Mer, a sole proprietorship concern was taken over. Further, vide shareholders’ resolution passed at Extra Ordinary General Meeting held on January 02, 2023, our Company was converted into a Public Limited Company and the name of the Company was changed to ‘Shoora Designs Limited’ and a fresh Certificate of Incorporation dated January 04, 2023 issued by Registrar of Companies, Ahmedabad.

Our Company was incorporated in the year 2021 and was engaged in the business of ‘Textiles & Apparel’ Industry and ‘Apparel & Accessories’. However, thereafter in the following year, the object of the Company was amended to manufacturing and trading of diamonds and jewelleryes.

Since, the year of 2022, our Company is engaged in the business of procuring rough diamonds through suppliers, internally planning and mapping rough diamonds, and is out-sourcing the process of cleaving, laser cutting, and polishing from local job-workers in the domestic market of Surat, and is selling of the said polished cut-diamonds to the wholesalers or retailers with business concentration pre-dominantly in Surat, Gujarat, and the newly-explored market of Mumbai, Maharashtra. A substantial majority of our cut and polished diamonds are sold to diamond wholesalers and the jewellery manufacturers in the domestic market of Surat and Mumbai. The revenue from sale of the diamonds is generated through offline market, and through our online platform accessible at <https://www.shooradesigns.com/shop/>. The online market facilitates and provides the customers with an option to browse variety of diamonds through its catalogue. This catalogue also provides the customers with the price data for each of the products, which thus enables the targeted investor to make a well-informed decisions.

For detailed information on our business, please see ‘**Our Business**’ beginning from page 90 of this Draft Prospectus.

### Industry Overview

As of February 2021, India’s gold and diamond trade contributed ~7.5% to India’s Gross Domestic Product (GDP) and 14% to India’s total merchandise exports. The gems and jewellery sector is likely to employ ~8.23 million persons by 2022, from ~5 million in 2020. Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion.

The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote ‘Brand India’ in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, this will allow the Indian Gems and Jewellery industry to further boost exports. CEPA will provide the industry duty-free access to the UAE market. India’s Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA.

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

For detailed information on our industry, please see ‘**Industry Overview**’ beginning from page 82 of this Draft Prospectus.

### Our Promoters

Our Company was originally founded by Mr. Satish K Kansodariya and Mr. Vipulbhai Karmshibhai Anghan.

As on date of this Draft Prospectus, the promoters of our Company are Mr. Satish K Kansodariya, Mrs. Sejalben Satish Kansodariya and Mr. Rajeshbhai Labhubhai Mer.

For details, see '*Our Promoters and Promoter Group*' beginning from page 121 of this Draft Prospectus.

#### Issue Size

The following table summarizes the details of the Offer:

<b>Issue of Equity Shares</b>	Up to 4,24,000 (Four Lakhs Twenty Four Thousand) Equity Shares aggregating up to ₹[●] Thousands
<b>Of which</b>	
<b>Market Maker Reservation Portion</b>	Up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Thousands
<b>Net Issue to the Public</b>	Up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Thousands will be available for allocation for Retail Individual Investors of up to ₹200 Thousands
	Up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Thousands will be available for allocation for Other Investors of above ₹200 Thousands

The Issue and Net Issue shall constitute [●]% and [●]% of the post-Issue paid-up Equity Share capital of our Company, respectively.

For further details, see '*The Issue*', '*Other Regulatory and Statutory Disclosures*', and '*Issue Structure*' on pages 46, 168, and 187, respectively of this Draft Prospectus.

#### Objects of the Issue

We intend to utilize the Net Proceeds of the Issue of ₹[●] Thousands for financing the objects as set forth below:

Sr. No.	Particulars	Amount (₹ in Thousands)	% of Net Proceeds
1.	For funding of working capital requirements	13,500.00	[●]%
2.	For General Corporate Purposes*	[●]	[●]%
	<b>TOTAL</b>	[●]	<b>100.00%</b>

\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue

For further details, see '*Objects of the Issue*' on page 69 of this Draft Prospectus.

#### Aggregate Pre-Offer Shareholding of our Promoters and Members of the Promoter Group

Promoters and Members of the Promoter Group	Pre-Offer		Post-Offer*	
	No. of Equity Shares	Percentage of pre-Issue paid-up Equity Share capital (%)	No. of Equity Shares	Percentage of post-Issue paid-up Equity Share capital (%)
<b>(A) Promoters</b>				
Mr. Rajeshbhai Labhubhai Mer	2,33,330	21.69%	[●]	[●]
Ms. Sejalben Satish Kansodariya	2,66,875	24.81%	[●]	[●]
Mr. Satish K Kansodariya	4,59,080	42.68%	[●]	[●]
<b>Total</b>	<b>9,59,285</b>	<b>89.18%</b>	[●]	[●]
<b>(B) Promoter Group</b>				
Ms. Jagrutiben Rajeshbhai Mer	1,09,375	10.17%	[●]	[●]
Mr. Paresh Labhubhai Mer	1	0.0001%	[●]	[●]
Mr. Vipulbhai Karmshibhai Anghan	7,000	0.65%	[●]	[●]
<b>Total</b>	<b>1,16,376</b>	<b>10.82%</b>	[●]	[●]
<b>Total Equity Shareholding of the Promoters Members of the Promoter Group</b>	<b>10,75,661</b>	<b>99.9999% ~ 100.00%</b>	[●]	[●]

\*To be updated in the Prospectus.

For further details, see ‘*Capital Structure*’ on page 58 of this Draft Prospectus. For details in relation to the entities forming part of the Promoter Group of our Company, see ‘*Our Promoters and Promoter Group – Promoter Group*’ on page 121 of this Draft Prospectus.

### Summary of Restated Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(₹ in Thousands, unless otherwise stated)

Sr. No.	Particulars	As at and for the nine-months ended December 31, 2022	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
1.	Equity Share capital	3,073.32	100.00	100.00
2.	Net worth	16,464.31	441.39	50.00
3.	Revenue	10,560.33	1,625.78	Nil*
4.	Profit after tax	1,750.97	391.39	(5.00)
5.	Basic earnings per share (in ₹)	156.20	39.14	(5.00)
6.	Adjusted/ Diluted earnings per share (in ₹)	2.25	0.50	(0.06)
7.	Net Asset Value per Equity Share (in ₹)	15.31	0.57	0.06
8.	Total borrowings (as per restated balance sheet)	97.05	--	--

\*The Company was incorporated on March 05, 2021;

Notes:

- (1) Basic earnings per share (in ₹) = Restated profit for the year attributable to equity shareholders / weighted average number of Equity Shares.
- (2) Diluted earnings per share (in ₹) = Restated profit for the year attributable to equity shareholders / weighted average number of diluted Equity Shares.
- (3) Net worth represents the shareholders’ funds and is computed as sum of share capital and reserves including share premium share application money and fair value change account net of debit balance in profit and loss account.
- (4) Net asset value per Equity Share (in ₹) = Restated net worth at the end of the year/period / Total number of equity shares outstanding at the end of the year/period.

For further details in relation to the Restated Financial Statements, see ‘*Restated Financial Information*’ on page 130 of this Draft Prospectus.

### Qualifications of the Statutory Auditor which have not been given effect to in the Restated Financial Statements

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

### Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Promoters and Directors as on the date of this Draft Prospectus as disclosed in ‘*Outstanding Litigation and Other Material Developments*’ on page 161 of this Draft Prospectus in terms of the ICDR Regulations is provided below:

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in Thousands)*
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil



Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in Thousands)*
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors</b>						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>						
Mr. Satish K Kansodariya	Nil	Nil	Nil	Nil	Nil	Nil
Mrs. Sejalben Satish Kansodariya	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Rajeshbhai Labhubhai Mer	Nil	Nil	Nil	Nil	Nil	Nil

\*The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.

For further information, see 'Outstanding Litigation and Material Developments – Litigation against our Promoters – Criminal Litigation' and 'Outstanding Litigation and Material Developments – Litigation against our Promoters – Actions taken by Regulatory and Statutory Authorities' on page 162 of this Draft Prospectus.

As on the date of this Draft Prospectus, there are no outstanding litigation proceedings involving our Group Companies and our Promoters, the outcome of which may have a material impact on our Company.

For further details of the outstanding litigation proceedings, see 'Outstanding Litigation and Material Developments' on page 161 of this Draft Prospectus.

#### Risk Factors

Specific attention of the Applicants is invited to 'Risk Factors' on page 27 of this Draft Prospectus to have an informed view before making an investment decision.

#### Summary of Contingent Liabilities

As per our Restated Financial Statements, there are no contingent liabilities as on this date of Draft Prospectus.

For further details in relation to our contingent liabilities, see 'Restated Financial Information – Notes to Restated Financial Information – Notes to Accounts – Annexure 4 – C (i) Contingent Liabilities' on page 137 of this Draft Prospectus.

#### Summary of Related Party Transactions

A summary of related party transactions as per the Related Party Disclosures read with the SEBI (ICDR) Regulations entered into by our Company with related parties, derived from our Restated Financial Statements are as follows:

Sr. No.	Name of the Related Party	Type of transaction	Amount of (Payable) / Receivable (₹ in Thousands)		
			As at and for the half-year ended December 31, 2022	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
1.	Mrs. Sejalben Satish Kansodariya	Unsecured Loan	-	3,516.00	-
		Share Capital including Share Premium	3,516.00	3,516.00	
2.	Mr. Satish K Kansodariya	Unsecured Loan	6.03	6,349.50	
		Share Capital including Share Premium	6,249.97	6,199.97	0.50

Sr. No.	Name of the Related Party	Type of transaction	Amount of (Payable) / Receivable (₹ in Thousands)		
			As at and for the half-year ended December 31, 2022	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
		Reimbursement of Expense	-	-	
3.	Mr. Rajeshbhai Labhubhai Mer	Unsecured Loan	84.02	3,435.00	
4.	Mrs. Jagrutiben Rajeshbhai Mer	Unsecured Loan	-	1,500.00	
		Share Capital including Share Premium	1,500.00	-	
5.	Mr. Vipulbhai Karmshibhai Anghan	Unsecured Loan	50.00	-	0.50

#### Issue of Equity Shares made in the last 1 Year for Consideration Other Than Cash

Except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash in the 1 year preceding the date of this Draft Prospectus:

Date of allotment	Name of the allottee	No. of shares allotted	Face value per share	Issue price per share	Reason for allotment	Benefits incurred to our Company
December 26, 2022	Mr. Rajeshbhai Labhubhai Mer	2,208	₹10.00	₹48.00	Takeover of Proprietorship Business of M/s. Rajeshbhai Mer	To acquire ongoing business along with its asset and brand recognition in market
December 31, 2023	Mr. Rajeshbhai Labhubhai Mer	61,458	₹10.00	₹48.00	Conversion of Unsecured Loan	To meet need of working capital in the Business
	Ms. Sejalben Satish Kansodariya	73,250	₹10.00	₹48.00		
	Mr. Satish K Kansodariya	1,29,166	₹10.00	₹48.00		
	Ms. Jagrutiben Rajeshbhai Mer	31,250	₹10.00	₹48.00		
January 01, 2023	Mr. Rajeshbhai Labhubhai Mer	1,66,665	₹10.00	N.A.	Bonus Issue	Capitalization of reserves and surplus
	Ms. Sejalben Satish Kansodariya	1,90,625	₹10.00	N.A.		
	Mr. Satish K Kansodariya	3,27,915	₹10.00	N.A.		
	Ms. Jagrutiben Rajeshbhai Mer	78,125	₹10.00	N.A.		
	Mr. Vipulbhai Karmshibhai Anghan	5,000	₹10.00	N.A.		

For further details, see '*Capital Structure*' on page 58 of this Draft Prospectus.

#### Split or Consolidation of Equity Shares in the last 1 year

Our Company has not undertaken split or consolidation of the Equity Shares of our Company in the last 1 year preceding the date of this Draft Prospectus.

#### Financing Arrangements

There have been no financing arrangements whereby the Promoters, members of our Promoter Group, our Directors, or any of their relatives, have financed the purchase by any other person of Equity Shares of our Company during a period of 6 months immediately preceding the date of filing of this Draft Prospectus.

**Weighted Average Price at which the Equity Shares were acquired by the Promoters in the last 1 year**

The weighted average price at which the Equity Shares were acquired by the Promoters in the 1 year preceding the date of this Draft is as follows:

Name of the Promoters	Number of Equity Shares acquired in the one year preceding the date of this Draft Prospectus*	Weighted average price of acquisition per Equity Share (in ₹)*
Mr. Rajeshbhai Labhubhai Mer	2,30,331	₹13.3245/-
Ms. Sejalben Satish Kansodariya	2,63,875	₹13.2650/-
Mr. Satish K Kansodariya	4,57,081	₹13.5643/-

\* As certified by our Statutory Auditor, pursuant to the certificate dated February 06, 2023.

For further details, see ‘*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*’ on page 59 of this Draft Prospectus.

**Average Cost of Acquisition of Equity Shares for the Promoters**

The average cost of acquisition per Equity Share acquired by the Promoters as on the date of this Draft Prospectus is as follows:

Name of the Promoter	Number of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)
Mr. Rajeshbhai Labhubhai Mer	2,33,330	₹13.2255/-
Ms. Sejalben Satish Kansodariya	2,66,875	₹13.2871/-
Mr. Satish K Kansodariya	4,59,080	₹13.5487/-

For further details, see ‘*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*’ on page 59 of this Draft Prospectus.

**Details of Price at which Equity Shares were acquired by our Promoters, Members of the Promoter Group in the last 3 years preceding the date of this Draft Prospectus**

The details of the price at which Equity Shares were acquired by our Promoters, members of the Promoter Group in the last 3 years preceding the date of this Draft Prospectus are as follows:

Name of the Promoter	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Nature of allotment / acquisition	Face value per Equity Share	Acquisition price per Equity Share (in ₹)
<b>Promoters</b>					
Mr. Satish K Kansodariya	March 05, 2021	5,000	Allotment as Initial subscriber to the MoA	₹10.00/-	₹10.00/-
	December 31, 2022	1,29,166	Conversion of Unsecured loan to Equity	₹10.00/-	₹48.00/-
	January 01, 2023	3,27,915	Bonus Issue	₹10.00/-	Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus
Mrs. Sejalben Satish Kansodariya	June 30, 2021	3,000	Transfer from Mr. Satish K Kansodariya	₹10.00/-	₹10.00
	December 31, 2022	73,250	Conversion of Unsecured loan to Equity	₹10.00/-	₹48.00

Name of the Promoter	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Nature of allotment / acquisition	Face value per Equity Share	Acquisition price per Equity Share (in ₹)
	January 01, 2023	1,90,625	Bonus Issue	₹10.00/-	Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus
Mr. Rajeshbhai Labhubhai Mer	June 30, 2021	3,000	Transfer from Mr. Vipulbhai Karmshibhai Anghan	₹10.00/-	₹10.00
	December 26, 2022	2,208	Preferential Allotment upon Takeover of Proprietorship business	₹10.00/-	₹48.00
	December 31, 2022	61,458	Conversion of Unsecured loan to Equity	₹10.00/-	₹48.00
	January 01, 2023	1,66,665	Bonus Issue	₹10.00/-	Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus
Mrs. Jagrutiben Rajeshbhai Mer	December 31, 2022	31,250	Conversion of Unsecured loan to Equity	₹10.00/-	₹48.00
Mr. Paresh Labhubhai Mer	January 01, 2023	1	Transfer from Mr. Rajeshbhai Labhubhai Mer	₹10.00/-	₹10.00
Mr. Vipulbhai Karmshibhai Anghan	March 05, 2021	5,000	Allotment as Initial subscriber to the MoA	₹10.00/-	₹10.00/-
	January 01, 2023	5,000	Bonus Issue	₹10.00/-	Not applicable, as Equity Shares acquired through bonus issue by capitalizing reserves and surplus

For details, see '*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*' on page 59 of this Draft Prospectus. For details in relation to the entities forming part of the Promoter Group of our Company, see '*Our Promoters and Promoter Group – Promoter Group*' on page 121 of this Draft Prospectus.

#### Details of Pre-IPO Placement

There is no Pre-IPO placement for the purpose of this Issue.

#### Exemption from complying with any provisions of Securities Laws, if any, granted by SEBI

Our Company has not received or sought any exemption from SEBI from complying with any provisions of securities laws, as on the date of this Draft Prospectus

## SECTION III – RISK FACTORS

*An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. We have described the risks and uncertainties that we believe are material, but the risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. To the extent the novel coronavirus pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with ‘Industry Overview’, ‘Our Business’, ‘Restated Financial Information’, and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on pages 82, 90, 130 and 154, respectively, as well as the other financial and statistical information contained in this Draft Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved.*

*Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

*This Draft Prospectus also contains certain forward-looking statements that involve risks and uncertainties. Investors should read with ‘Forward-Looking Statements’ on page 18 of this Draft Prospectus for a discussion of the risks and uncertainties related to those statements and also the sections entitled ‘Industry Overview’, ‘Restated Financial Information’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on pages 82, 130, and 154, respectively, of this Draft Prospectus as well as financial and other information contained in this Draft Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Prospectus. For further information, see ‘Restated Financial Information’ on page 130 of this Draft Prospectus. Unless the context otherwise requires, in this section, references to ‘the Company’, ‘our Company’, ‘we’, ‘us’ and ‘our’, are to Shoora Designs Private Limited.*

### Internal Risks

#### *Risks relating to the business of our Company*

- 1. We have a limited operating history and may be subject to risks inherent in early-stage companies, which may make it difficult for you to evaluate our business and prospects.***

Our Company was incorporated in the year of 2021, with an intent to carry on textile business. However, in the following year of 2022, our Company ventured into the business of manufacturing and trading of diamonds. Since, we have a limited operating history, it may be difficult for you can evaluate our business and prospects. You must consider our business and prospects in light of the risks and difficulties we face as an early-stage company with a limited operating history and should not rely on our past results as an indication of our future performance.

Further, our management may have less experience in implementing our business plan and strategy compared to our more well-established competitors, including our strategy to increase our market share and build our brand name. In addition, we may face challenges in planning and forecasting accurately as a result of our limited historical data and inexperience in implementing and evaluating our business strategies. Our inability to successfully address these risks, difficulties and challenges as a result of our inexperience and limited operating history may have a negative impact on our ability to implement our strategic initiatives, which may have an adversely effect on our business, prospects, financial condition and results of operations.

2. ***We are dependent on third parties for various stages of our operation. As on date of this Draft Prospectus, we do not have any formal arrangements with the said third-parties, and we may be unable to maintain or establish formal arrangements with such third parties in the future. In the event of any disruptions with such third-party job worker, or failure of such third parties to adhere to the relevant quality standards, or complete the work process, would lead to have a negative effect on our reputation, business, and financial condition.***

We mainly depend on third party job workers for carrying out various stages of our operations, namely being, cleaving, laser cutting, and polishing of rough diamonds. We do not have specific written agreements with such job workers and accordingly, they are not contractually bound to deal with us exclusively, and we may face the risk of our competitors offering better terms, which may cause them to prefer our competitors over us.

Any unscheduled, unplanned or prolonged disruption of operations at our job-workers' manufacturing facilities, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence of equipment or manufacturing processes, non-availability of adequate labour or disagreements with workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could affect our operations process.

We are also exposed to the risk of our job-workers failing to adhere to the standards set for them by us in respect of ensuring appropriate marking, cutting, shaping, and polishing quality, which in turn could adversely affect our sales and revenues. While there have been no such instances in the past, there can be no assurance that there will not be such instances in the future.

Any delay or failure on the part of our job-workers to deliver the products in a timely manner or any litigation involving these job-workers may have a material adverse effect on our business, profitability, and reputation. Our operations could be disrupted if we do not successfully manage relationships with our job-workers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. If job-workers do not perform their contractual obligations, it could adversely affect our reputation, business, financial condition and results of operations.

3. ***Any significant increase in price of rough diamonds and labour costs could adversely impact our profit margins.***

In the recent years, there has been a significant increase in the cost of rough diamonds, which has resulted in an increase in our operational cost. We cannot assure you that we will be able to procure quality rough diamonds at competitive prices or at all. In addition, if for any reason, our primary suppliers of rough diamonds curtail or discontinue their delivery to us, in the quantities we need and at prices that are competitive, our ability to undertake our business operations could be impaired, our delivery schedules could be disrupted, and our business and reputation may be adversely affected. Further, any rise in prices of rough diamond may cause manufacturers or jewellers to delay their purchases, thereby adversely affecting our business, operations, and financial condition.

Since, our business operations are heavily dependent on the third-party job-workers, and any event of increase in their daily wages, would result in increase of the costing of the polished diamonds, which could affect our ability to withstand the competition in the industry, thereby adversely affecting our business, operations, and financial condition.

4. ***We are exposed to risks associated with online security and fraud.***

The secure transmission of confidential information over the Internet and telephone is essential to maintaining our customers' and suppliers' confidence in us. Security breaches, whether instigated internally or externally on our system or other Internet-based systems, could significantly harm our business. While we use secure transmission protocols on our marketplace, we may not be able to prevent security breaches involving the confidential information of our suppliers and customers, including any breaches with regards to transactions from our payment services. If we choose to deploy secure transmission protocols on our marketplace in the future, our implementation efforts may require significant additional costs or be unsuccessful, and a new set of protocols may not prevent all security breaches.

Finally, there can be no assurance that the confidential information of our suppliers and customers will be protected on third-party payment gateways.

5. ***Our e-commerce platform faces distinct risks, and our failure to successfully manage those risks could have a negative impact on our profitability.***

Our Company has recently forayed to explore the online sale facility through e-commerce platform accessible at [www.shooradesigns.com](http://www.shooradesigns.com). Our Company believes that by providing wide range of diamonds for sale on our Company e-commerce platform along with other marketplaces will work as an added advantage to grow and scale up our business by leveraging the bandwidth to reach out to customers across various part of the country.

The e-commerce platform runs on technology that requires continuous upgradation and innovation at various levels & intervals, there can be no assurance that the upgradation shall be done on a need-to-update basis, which would involve an amount of risk. Similarly, the technology of the e-commerce segment of our business is exposed to certain risks and any failure on our part to manage or mitigate such risk can disrupt our e-commerce business or platform and may have an adverse effect on our profitability and result of operations.

6. ***Our income and sales are subject to seasonal fluctuation and lower income in a peak season may have a disproportionate effect on our result of operation.***

Our sales have exhibited certain seasonal fluctuations, reflecting higher sales volumes on festivals and other occasions such as Dhanteras, Diwali, Christmas, Akshaya Tritiya and wedding seasons which occur in the third and fourth quarter of the fiscal year. Any lower than expected net sales during the third or fourth quarters of the fiscal year or more pronounced seasonal variations in sales in the future could have a disproportionate impact on our operating results for the fiscal year, or could impair our cash flows. Any slowdown in supplying the polished diamonds to the manufactures or jewellers or failure by us to prepare for such seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations.

7. ***Our Company was recognized as a start-up company by the Department for Promotion of Industry and Internal Trade for the purpose of working in the 'Textiles and Apparel Industry' and 'Apparel and Accessories Sector'. However, post-change in the business of our Company no application has been made for recognizing our Company as a start-up in the field of 'Gems and Jewelry Industry'. Further, no application has been made post-change to public limited company.***

Our Company was incorporated in the year 2021, with its object of carrying on their business in the 'Textiles and Apparel Industry' and 'Apparel and Accessories Sector'. The Company was thereafter recognized the Department for Promotion of Industry and Internal Trade as a start-up India company vide their certificate bearing reference number 'DIPP77276' dated March 31, 2021, which stood valid up to 10 (Ten) years from the date of its incorporation i.e., valid up to March 04, 2031, only if its turnover for any of the financial years has not extended ₹10,00,000 Lakhs.

In the following year of 2022, our Company ventured into the business of manufacturing and trading of diamonds. However, post-alteration of the main object of the business and post-venturing into a new industry all-together, our Company failed to make an application to the Department for Promotion of Industry and Internal Trade for amending the said certificate.

As on date of this Draft Prospectus, there has been no penalty levied on the company for such defaults. However, in cannot be assured that even in future no such penalty will be levied. Therefore, if the regulatory authorities impose monitory penalties on us or take certain punitive actions against our company in relation to the same, our business, financial condition and results of operations could be adversely affected. While we ensure implementation of required compliance systems, we cannot assure you that such inaccuracies and non-compliances will not happen in the future and that our Company will not be subject to any action by statutory or regulatory authorities.

8. ***Any kind of negative publicity or misuse of our brand name and corporate logo could hamper our brand building efforts and our future growth strategy could be adversely affected.***

Our business is dependent on the trust that our customers have in the quality of our merchandize. Any negative publicity regarding our Company, our polished diamonds could adversely affect our reputation and our results of operations. Customer preferences could be affected by a variety of issues including non-acceptance of diamonds from specific regions, non-promotion of jewellery by the fashion industry, and a decrease in the perceived value and customer satisfaction of the jewellery compared to its price.



9. *Our Company has availed unsecured loans from our Promoters and/or other parties, which may be recalled by them at any time and our Company may not have adequate funds to make timely payments or at all.*

Our Company has availed unsecured loans from our Promoters which stood at ₹97.05 Thousands as of December 31, 2022. The details of outstanding amount in respect of such loans, is tabled as under:

Name of the Lender	Nature of Borrowing	Amount sanctioned (₹ in Thousands)	Rate of interest	Outstanding amount as on the date of the Draft Prospectus (₹ in Thousands)
Satish Kalubhai Kansodariya	Unsecured Loan	6,349.50	Non-interest bearing	₹6.03
Rajeshbhai Labhubhai Mer	Unsecured Loan	3,442.00	Non-interest bearing	₹91.02
<b>Total</b>				<b>₹97.05</b>

Such loans may be recalled at any time. There can be no assurance that the Promoters will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. In the event that our Promoter seeks repayment of any such unsecured loan, our Company may need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, results of operations, financial condition and cash flows. For details of our borrowings, see '*Borrowings*' on page 150 of this Draft Prospectus.

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

As on date of this Draft Prospectus, there is no systematic inventory management and control systems in place in our Company. Our results of operations are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must be able to accurately estimate supply requirements and purchase rough diamonds accordingly. If our management has misjudged the expected demand it could adversely impact the results by accumulation of excess inventory.

11. *If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.*

Our business depends on our ability to successfully obtain payment from our customer(s) for our polished diamonds sold to them. We typically bill and collect the payment on immediate sale to delivery basis. Recovery of our receivables and timely collection of client balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected.

12. *Any failure of or disruption to our information technology systems could adversely impact our business and operations. Further, we are exposed to risks associated with online security and fraud.*

We rely on our information technology systems to provide us with connectivity for our business functions through our software, hardware and network systems. We cannot assure you that we can successfully block and prevent all hacking or other breaches. As a result, failure to protect against technological disruptions of our operations could materially and adversely affect our business, financial condition and results of operations.

We also have an e-commerce platform, [www.shooradesigns.com](http://www.shooradesigns.com) for online shopping experience we provide to our customers. Many of our control systems are dependent on third-party software and technology. Our website and third-party software may be subject to damage, software errors, computer viruses, security breaches and the delayed or failed implementation of new updates. Further, the secure transmission of confidential information over the Internet and telephone is essential to maintaining our customers' and suppliers' confidence in us. Security breaches, whether instigated internally or externally on our system or other Internet-based systems, could significantly harm our business, and we may not be able to prevent security breaches involving the confidential information of our suppliers and customers, including any breaches

with regards to transactions from our payment services. If we choose to deploy secure transmission protocols on our marketplace in the future, our implementation efforts may require significant additional costs or be unsuccessful, and a new set of protocols may not prevent all security breaches.

Finally, there can be no assurance that the confidential information of our suppliers and customers will be protected on third-party payment gateways.

- 13. *There have been instances of delayed / incorrect filings in the past with certain Regulatory Authorities. If the Regulatory Authorities impose monetary penalties on us or take certain punitive actions against our company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

There have been instances of delayed/ incorrect filings in the past with certain regulatory authorities. There are certain forms which have been subsequently filed with additional fees, as specified by registrar of companies / ministry of corporate affairs. Except as mentioned in this Draft Prospectus, till date, there has been no penalty levied on the Company for such delays / defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the regulatory authorities impose monetary penalties on us or take certain punitive actions against our company in relation to the same, our business, financial condition and results of operations could be adversely affected. While we ensure implementation of required compliance systems, we cannot assure you that such inaccuracies and non-compliances will not happen in the future and that our Company will not be subject to any action by statutory or regulatory authorities.

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

Our business is working capital intensive and requires significant portion of working capital and major portion of which is utilized towards trade receivables and trade payables. Further, our Company intends to continue growing by reaching out to newer clients/ customers and also increasing the sales in the existing customers base. Our growing scale and expansion may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out of debts, could adversely affect our financial condition and result of our operations.

For description of the objects, see '*Objects of the Issue*' on page 69 of this Draft Prospectus.

- 15. *The Company require certain approvals and/or licenses in the ordinary course of business to operate. Failure to obtain and/or renew in a timely manner may affect the operations of the company.***

The Company requires certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for the business to operate. In this regard the Company has obtained the required license for carrying out business activity including the PAN, GST Registration.

Further, there can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. As a result, the company might not be able to execute its business operations as planned. Furthermore, an inability to obtain or maintain approvals or licenses required for the operations may adversely affect the operations.

Government approvals, licenses, clearances, and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Moreover, approvals, licenses, clearances, and consents covering the same subject matter are often required at State Government levels. If the company fail to comply, or a regulator claim that that company has not complied, with these conditions, the company might not be able to commence or continue to work.

For description of the regulations to which we are subject, see '*Key Industry Regulations and Policies*' on page 95 of this Draft Prospectus.

- 16. *The land and premises at which our Registered Office is situated has been taken on rental basis by our Company. If we are unable to renew existing rental agreement or relocate operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition, result of operations and cash flows.***

The Registered Office of our Company situated at the premises of Diamond Apartments Co-op Housing Society, LT H No. 7/3388/A, 6th floor, C/1, 601, Haththupura char rasta, Surat – 395003, Gujarat, India, is not currently owned; we are using the property of our Promoter and Director vide NOC dated January 05, 2021.

Further, upon expiration of the aforesaid rental agreement, we shall be required to negotiate the terms and conditions on which the rental agreement is to be renewed. In the event that these agreements are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. Further, if in an event alternative premises are not available at the same or similar costs, size or locations, our business, financial condition, and results of operations may be adversely affected.

Furthermore, since the premises is owned by our Promoter, Mr. Rajeshbhai Labhubhai Mer, it may lead to conflict of interest.

**17. *We operate in a competitive market and face competition from other manufacturers. Any increase in competition may adversely affect our business and financial condition.***

The markets in which we operate are highly competitive. Our competitors include both organized as well as unorganized local players in the various markets in which we operate. See '**Industry Overview**' on page 82. Some of our competitors have achieved significant recognition for their brand names due to their presence over the years. Industry consolidation, either by virtue of mergers and acquisitions or by a shift in market power among competitors, may accentuate these trends and give our competitors an upper hand. In addition, some of our competitors in smaller local markets have advantages of having strong reputations and established trust with customers due to various factors and presence over the years, which could be difficult for us to challenge or replicate in a sustained manner in the future. We expect competition could increase with new entrants coming into this industry, who may have more flexibility in responding to changing business and economic conditions, and existing players consolidating their positions. Some of our competitors may have access to significantly greater resources, including the ability to spend more on advertising and marketing and hence the ability to compete more effectively. We face competition across our business activities from varied peers. Further, although e-commerce space is not currently a major competitive channel in the jewellery sector, we may face increased competition from e-commerce in the future. Some of our competitors are larger and have greater financial resources or a more experienced management team than us. Like us, they may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions than we do, which may have a negative effect on our sales. Further, our competitors may set up showrooms in the vicinity of our existing showrooms and may offer their products at lower prices, resulting in a decreasing of sales of our products. We cannot assure you that we can continue to compete effectively with our competitors. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising will affect our business, results of operations and financial condition. We believe that our principal competitive factors include brand name, quality of product, product style, product range, innovation, display, multiple choice, price transparency and competitiveness, various schemes, personalized service to our customers, scalability of production, store location and accessibility, designs suited to local preferences and choices, varied and efficient employee strength base, advertising and promotion. We cannot give any assurances that we will be able to compete successfully on all of these factors against existing or future competitors in the future. To compete effectively and to attract customers in diverse markets, we must continue to market and competitively price our products, and we may experience downward pricing pressures, increased marketing expenditures and loss of market share.

For more details on the competitive landscape in India, see '**Industry Overview**' on page 82 of this Draft Prospectus.

**18. *Our business reputation is critical for growing our business and any adverse publicity regarding us or our promoters and investors may have a material adverse effect on our business, prospects, financial condition, and results of operations.***

The market for technology services in India has gained great momentum and is highly competitive and rapidly evolving. Some of its competitors may have significantly greater financial, technical, and marketing resources and might be generating greater revenues. Further, some of them have a pan-India presence resulting in better brand recall across India and have long-standing relationships with their clients within and outside our country and are therefore the preferred service providers for many of the clients. The Company cannot assure its investors that it will be able to retain its clients or attract new clients while competing successfully against such competitors.

In addition, our brand and business reputation will be adversely affected in the event of any adverse publicity relating to one of our Promoters.

Any significant claim or litigation, employee misconduct, operational failure, regulatory investigation, media speculation and adverse publicity, whether actual, unfounded, or merely alleged, could damage our brand, business reputation and

confidence of customers. Our brand may also be adversely affected if our products, or the services provided by our employees, agents do not meet customer expectations. Negative publicity could result from any failure in business continuity or information technology systems.

Any damage to our brand or business reputation may result in loss of existing and potential customers, and inability to maintain existing or enter into additional distribution arrangements. Furthermore, negative publicity may result in an increase in regulatory scrutiny of our operations, and an increase in claims litigation, which may further increase our cost of operations and adversely affect our profitability. Negative publicity may also influence market perception of our business and affect our ability to maintain our credit ratings. Accordingly, any adverse impact on our brand and business reputation may have a material adverse effect on our business, prospects, financial condition, and results of operations.

**19. *The trademark is owned by our Promoter Director Mr. Satish Kalubhai Kansodariya, who may not be able to protect our trademarks from infringement.***

The trademark is owned by our Promoter Director Mr. Satish Kalubhai Kansodariya, and there is no agreement with respect to the usage of the same. The Trademark as such which are very important for our brand and business. We are known and identified by those trademarks and protecting the same is very important for us. Although we take steps to monitor the possible infringement or misuse of our trademarks, it is possible that third parties may infringe, dilute or otherwise violate our trademark rights. Any unauthorised use of our trademarks could harm our reputation or commercial interests. In addition, our enforcement against third-party infringers or violators may be unduly expensive and time-consuming, and any remedy obtained may constitute insufficient redress relative to the damages we may suffer. For details, see **‘Our Business’** and see **‘Government and Other Approvals’** on pages 90 and 165 of this Draft Prospectus.

**20. *Our business depends on our Promoters. Any attrition rate of our senior management may affect our business growth.***

We believe that the experience of our Promoters and senior management has been critical to our success and business growth over the years. Their in-depth knowledge of the market and the business operations have ensured our growth in the business.

As a result, any loss of the services of any of our Promoters could materially and adversely affect our business, financial condition and results of operations. The replacement of Promoters may not be straightforward or achievable in a timely manner as they have years of knowledge and experience in this business, and we may be required to wait indefinitely to fill positions until we find suitable candidates. Furthermore, attracting, hiring, and retaining experienced and qualified senior management with years of experience in this business sector could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and accordingly, our financial condition and results of operations.

**21. *Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***

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

**22. *We have entered into certain related party transactions in the Financial Years ending 2022 and the nine months ended December 31, 2022. We will continue to enter into related party transactions, and there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties.***

We have entered into certain transactions with related parties for Financial Years ending 2022 and the nine months ended December 31, 2022. For further information on our related party transactions, see **‘Restated Financial Information – Notes to Restated Financial Information – Notes to Accounts: 26. Related Party Disclosure’** and **‘Summary of Issue Document – Summary of Related Party Transactions’** on pages 151 and 23, respectively, of this Draft Prospectus.

While we believe that all such transactions have been conducted on an arm’s length basis, it is likely that we will continue to enter into related party transactions in the future and we cannot assure investors that we would not achieve more favorable terms if such transactions were entered into with unrelated parties. There can be no assurance that related party transactions, individually or in the aggregate, will not have an adverse effect on our business and results of operations. Such related party

transactions may also potentially involve conflicts of interest.

**23. The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price.**

The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price. The details of the average cost of acquisition of Equity Shares held by the Promoters are set out below:

Name of the Promoters	Number of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)*
Mr. Rajeshbhai Labhubhai Mer	2,33,330	₹13.2255/-
Ms. Sejal Satish Kansodariya	2,66,875	₹13.2871/-
Mr. Satish Kalubhai Kansodariya	4,59,080	₹13.5487/-

**24. We have in the past 12 months issued Equity Shares at a price which could be lower than the Issue Price. The price at which our Company has issued Equity Shares during the last one year from the date of this Draft Prospectus may not be indicative of the future price.**

We have in the last twelve months prior to filing this Draft Prospectus, issued Equity Shares at prices that could be lower than the Offer Price. For information regarding such issuances of Equity Shares, see ‘*Capital Structure—Notes to Capital Structure*’ on page 59 of this Draft Prospectus.

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

As per our Restated Financial Statements, our cash flows from operating, investing, and financing activities are as set out below:

(₹ in ‘000)

Sr. No.	Particulars of Net Cash Generated/(Used) from	Restated Financial Statements for		
		The nine months ended December 31, 2022	The Financial Year ending March 31, 2022	The Financial Year ending March 31, 2021
1.	Operating Activities	(13,868.66)	1364.48	(25.00)
2.	Financing Activities	(328.15)	(53.37)	-
3.	Investing Activities	14,351.68	(2.02)	100.00

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For details, please see chapter titled ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page 154 of this Draft Prospectus.

**26. We are required to maintain various licenses and permits for our business.**

Our business is subject to applicable government regulations and legislations, and we require certain statutory and regulatory approvals, licenses, registrations, and permissions for operating our business. These permits, licenses and approvals may also be tied to numerous conditions and terms, obtaining some of which may be time consuming and may incur high cost.

We cannot assure you that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals. There is no assurance in the future that the permits, licenses, registrations, and approvals applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable laws.

Further, applications for approvals, licenses, registrations, and permissions for operating our business need to be made within certain timeframes and are often subject to the discretion of relevant authorities. If we are unable to make applications or renew or obtain necessary permits, licenses, and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all or in the event we fail to comply with the terms and conditions therein, it could materially and adversely affect our financial condition and results of operations, including cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals and the imposition of penalties by relevant authorities. For details, see ‘*Government and Other Approvals*’ on page 165 of this Draft Prospectus.

**27. *We may be subject to fraud, theft, employee negligence or similar incidents.***

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking and otherwise. Our industry typically encounters some inventory loss on account of employee theft and general administrative error. We stock our inventory at all our Registered Office at all times. Though we have not reported any instances of theft or fraud in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

Additionally, in case of losses due to theft, fire, breakage, or damage that may be caused by other casualties, flood, earthquake or any other natural calamities, there can be no assurance that we will be able to recover from our Insurers the full or adequate amount of any such loss that we may suffer in a timely manner. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, if any, it could have an adverse effect on our business, results of operations and financial condition.

**28. *If we are unable to protect credit card or debit card data or any data related to any other electronic mode of payment, or any other personal information that we collect, our reputation could be significantly harmed.***

The use of electronic payment methods and collection of other personal information both on our e-commerce platform and in our physical showrooms, exposes us to an increased risk of privacy and security breaches as well as other risks. Although we use secure private networks to transmit confidential information, third parties may have the technology or know-how to breach the security of the customer information transmitted in connection with credit and debit card sales and use of e-wallets, and our security measures and those of technology suppliers may not effectively prohibit others from obtaining improper access to this information. If a person is able to circumvent our security measures or otherwise gain access to the confidential information that we collect, they may be able to destroy or steal valuable information or otherwise disrupt our operations. We may become subject to claims for purportedly fraudulent transactions arising out of the actual or alleged theft of credit or debit card information or other confidential information, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. Any such claim or proceeding could cause us to incur significant unplanned expenses, which could have an adverse impact on our financial condition, results of operations and cash flows. Further, adverse publicity resulting from these allegations could significantly harm our reputation and may have a material adverse effect on us and our showrooms. Moreover, we receive and process certain personal financial and other information about our customers and employees when we accept credit cards for payment. While we do not save payment information of our customers, the use and handling of this information is regulated by evolving and increasingly demanding laws and regulations in India. If our security and information systems are compromised as a result of data corruption or loss, cyberattack or a network security incident or our employees, or suppliers fail to comply with these laws and regulations, and this information is obtained by unauthorized persons or used inappropriately, it could subject us to litigation and government enforcement actions, damage our reputation, cause us to incur substantial costs, liabilities and penalties and/or result in a loss of customer confidence, any and all of which could adversely affect our business, financial condition and results of operations.

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

We propose to utilize the Net Proceeds towards working capital requirements, and towards development of software. For further information of the proposed objects of the Offer, see '*Objects of the Issue*' on page 69 of this Draft Prospectus. We cannot currently determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions, or other factors beyond our control. In accordance with the Companies Act and the ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds from the Offer as disclosed in this Draft Prospectus without obtaining the Shareholders' approval through a special resolution. Our Promoters would also be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Offer proceeds, if any, which may adversely affect our business and results of operations.

30. ***We have in this Draft Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry in which we operate, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of gems and jewelry companies, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. For more details, see ***‘Certain Conventions, Presentation of Financial, Industry and Market Data – Non-Generally Accepted Accounting Principles Financial Measures’*** on page 16 of this Draft Prospectus. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see ***‘Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators’*** on page 154 of this Draft Prospectus.

31. ***Our funding requirements and the proposed deployment of Net Proceeds have not been appraised and our Company has broad discretion over the use of the Net Proceeds and may use them in ways with which you do not agree and in ways that may not enhance our operating results or the price of our Equity Shares.***

We intend to utilize the Net Proceeds to augment our capital base to support solvency levels. Our proposed deployment of the Net Proceeds has not been appraised and it is based on management estimates. As stipulated in Regulation 41 of the ICDR Regulations, we are not required to appoint a monitoring agency for the use of the Net Proceeds, and we do not intend to do so. Accordingly, the deployment of the Fresh Issue proceeds will be entirely at our discretion which is especially relevant since we have proposed broad utilization of the Net Proceeds. Our board of directors and management will therefore have broad discretion over the application of the Net Proceeds. We may spend or invest these proceeds in ways with which you disagree or that do not yield a favorable or any return. Our actual use of the Net Proceeds may differ substantially from our current plans. Failure by our management to apply these funds effectively could harm our business and financial condition and cause the market price of our Equity Shares to decline. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use of the Net Proceeds to achieve profitable growth in our business. Pending their use, we may invest the Net Proceeds in a manner that does not produce income or that loses value.

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

Post the Issue as well, Promoter and Promoter Group will collectively own the majority of the Equity Share capital. As a result, they will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to Board, in accordance with the Companies Act, and its Articles of Association.

Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of the Company. In addition, Promoters will continue to have the ability to cause to take actions that are not in, or may conflict with, the interests or the interests of some or all of the creditors or other shareholders, and the Company cannot assure that such actions will not have an adverse effect on its future financial performance or the price of Equity Shares.

33. ***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.

**34. *The future funds' requirements of the company, in the form of fresh issue of capital or securities and/or loans, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

The Company might require additional capital from time to time depending upon the requirements of the business. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase the interest burden and decrease cash flows, thus prejudicially affecting profitability and a liability to pay dividends to its shareholders.

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

The funds that we receive would be utilized for the Objects of the Issue as has been stated '*Objects of the Issue*' beginning on page 69 of this Draft 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 and development plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**36. *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 serious harm to our reputation. 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.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators, and the public at large, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock 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, 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.

**38. *Investors other than Retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application.***

According to the SEBI (ICDR) Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after applying. While the company is required to complete allotment according to the issue within 6 Working Days from the Issue Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political, or economic conditions, business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. The company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted according to the issue or cause the trading price of the Equity Shares to decline on the listing.

39. *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 Draft Prospectus.

## **External Risk Factors**

### ***Risks Relating to India***

40. *Recent global economic and political conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.*

In the event of adverse macroeconomic conditions in India or globally, which may be characterized by higher unemployment, lower household income, lower corporate earnings, lower business investment, higher inflation and lower consumer spending, the demand for insurance products could be adversely affected. Our policyholders may opt to defer or discontinue paying insurance premiums or choose to forgo or not renew their insurance coverage. We may also experience an increase in incidence of claims and non-renewal of policies. The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscal 2008 and 2009 adversely affected market prices in the global securities markets, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries 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, global economic uncertainty and liquidity crisis, volatility in exchange currency rates and outbreak of an infectious disease, such as the COVID-19 pandemic.

Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. 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 margins. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our equity shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

**41. Changing laws, rules or regulations and legal uncertainties including taxation laws, or their interpretation, such changes may significantly affect our financial statements.**

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the component industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. For further information on the laws applicable to us, see '**Key Industry Regulations and Policies**' on page 95 of this Draft Prospectus.

The Income Tax Act, 1961 was amended to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to the COVID -19 pandemic, the Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Services Tax Act, 2017 and Customs Tariff Act, 1975.

Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. With the implementation of GST, we are obligated to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilise input credit under GST, the entire value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulations, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ('**DDT**'), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and health and education cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the Government of India has amended the IT Act to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the Government of India has notified the Finance Act, 2022 ('**Finance Act**'), which has introduced various amendments to the IT Act. As such, there is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

Changes in other laws may impose additional requirements, resulting in additional expenditure and time cost. For instance, the GoI has announced four labour codes which are yet to come into force as on the date of this Draft Prospectus, namely, (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020; (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health, and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations. While the rules for implementation under these codes have not been announced, we are unable to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability

and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as ‘gig workers’ and ‘platform workers’ and provides for the mandatory registration of such workers in order to enable these workers to avail themselves of various employment benefits, such as life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. Any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares.

**43. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

Our Restated Financial Information for Fiscal 2021 and 2022, and the nine-months period ended December 31, 2022 have been prepared and presented in conformity with IndAS. No attempt has been made to reconcile any of the information given in this Draft Prospectus to U.S. GAAP, IFRS or any other principles or to base it on any other standard. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should be limited accordingly.

**Risks relating to the Equity Shares and this Issue**

**44. *Substantially all of our business and operations are located in India, where we are subject to regulatory, economic, social, and political uncertainties.***

We are incorporated in and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Substantially all of our business, employees and investments are located in India, and we intend to continue to develop and expand our business in India. Consequently, our financial performance, the performance of our investments and the market price of our Equity Shares will be affected by changes in exchange rates and controls, interest rates, volatility in and actual or perceived trends in trading activity on India’s principal stock exchanges, prevailing economic conditions, inflation, changes in government policies, including taxation policies and foreign investment policies, social and civil unrest and other political, social and economic developments in or affecting India.

While the Indian economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy.

The Government of India has exercised and continues to exercise significant influence over many aspects of the Indian economy. Specific laws and policies affecting insurance companies, e-commerce, data, foreign investments, currency exchange rates and other matters affecting investments in India could change as well or be subject to unfavorable changes or interpretations or uncertainty.

Other factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements; and
- subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

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

**45. *Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Lead Manager or any of their directors and executive officers in India respectively, except by way of a law suit in India.***

Our Company is a company incorporated under the laws of India and all of our Directors are located and/or resident in India. All of our assets, our Key Managerial Personnel and officers are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law.

Recognition and enforcement of foreign judgments is provided for under Sections 13, 14, and Section 44A of the Code of Civil Procedure, 1908. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The Code of Civil Procedure, 1908, only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favor a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on

the final judgment within three years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India.

However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

**46. *The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume;
- general economic and stock market conditions; and
- Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

**47. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months

immediately preceding the date of transfer may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, investors may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less immediately preceding the date of transfer will also be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose a tax on capital gains arising from the sale of shares of an Indian company.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and, accordingly, such dividends would not be exempt in the hands of the Shareholders, both for residents as well as non-residents. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

Similarly, any business income realised from the transfer of equity shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹1 Lakh, subject to certain exceptions in case of resident individuals and Hindu Undivided Families.

The Indian Stamp Act, 1899 was amended to provide that the sale, transfer and issue of certain securities through exchanges, depositories, or otherwise shall be charged with stamp duty. In the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain securities through stock exchanges is on the buyer, while in other cases of transfer for consideration through a depository, the onus is on the transferor. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

The Government of India announced the union budget for Fiscal 2023, following which the Finance Bill, 2022 ('**Finance Bill**') was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022 ('**Finance Act**'). There is no certainty on the impact of Finance Act on tax laws or other regulations, which may adversely affect the Company's business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

**49. *There is no guarantee that our Equity Shares will be listed on the stock exchanges in a timely manner or at all.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in the Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately 5 Working Days from the Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within 6 Working Days of the Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

**50. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors,

variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchange and securities markets elsewhere in the world.

**51. *Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within 1 working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately 5 Working Days from the Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within 6 Working Days of the Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

**52. *Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.***

Any adverse revisions to India's credit ratings by international rating agencies may adversely affect our ratings, our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business, cash flows and financial performance and the price of the Equity Shares.

**53. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us, including to comply with minimum public shareholding norms applicable to listed companies in India or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. Additionally, the disposal, pledge or encumbrance of the Equity Shares (in accordance with applicable law including procuring regulatory approvals, as required) by any of our significant shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares (in accordance with applicable law including procuring regulatory approvals, as required) in the future.

**54. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval 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 require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares being held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or relevant regulatory approval having been obtained for sale of shares and the corresponding remittance of sale proceeds.



In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

For further information, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 218 of this Draft Prospectus.

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

The determination of the Issue Band is based on various factors and assumptions and will be determined by our Company in consultation with the Lead Manager. These will be based on numerous factors, including factors as described under '*Basis of Issue Price*' on page 216 of this Draft Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure investors that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

**56.  *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

**57. *A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.***

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

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities 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 and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

## SECTION IV – INTRODUCTION

### THE ISSUE

#### PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

<b>Equity Shares Issued<sup>(1)</sup></b> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Up to 4,24,000 (Four Lakhs Twenty-Four Thousand) Equity Shares for cash at a price of ₹[●]/- per Equity Share aggregating to ₹[●] Thousands
<i>Of which</i>	
<b>Issue reserved for Market Maker</b>	[●] Equity Shares for cash at a price of ₹[●]/- per Equity Share aggregating to ₹[●] Thousands
<b>Net Issue to the public</b>	[●] Equity Shares at a price of ₹[●]/- per Equity Share aggregating to ₹[●] Thousands
	<i>Of which<sup>(3)</sup></i>
	[●] Equity Shares at a price of ₹[●]/- per Equity Share aggregating to ₹[●] Thousands will be available for allocation for allotment to Retail Individual Investors
	[●] Equity Shares at a price of ₹[●]/- per Equity Share aggregating to ₹[●] Thousands will be available for allocation for allotment to other than Retail Individual Investors
<b>Equity Shares outstanding prior to this Issue</b>	10,75,662 (Ten Lakhs Seventy-Five Thousand Six Hundred and Sixty-Two) Equity Shares
<b>Equity Shares outstanding after this Issue</b>	[●] ([●]) Equity Shares
<b>Objects of the Issue</b>	Please refer the section titled ' <b>Objects of the Issue</b> ' beginning on page 69 of this Draft Prospectus.

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time. For further details, please see the section titled '**Issue Information**' beginning on page 180 of this Draft Prospectus;

(2) The present Issue has been authorized pursuant to a resolution of our Board dated January 16, 2023 and vide a special resolution passed under clause (c) of Sub-Section (1) of 62 of the Companies Act, 2013 at an Extra-ordinary general meeting of our shareholders held with a shorter notice on January 18, 2023;

(3) The allocation in the Net Issue to the public category shall be made as per the requirements of Sub-Regulation (2) of Regulation 253 of the SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum 50.00% (Fifty Percent) to Retail Individual Investors; and

b) Remaining to:

(i) Individual applicants other than Retail Individual Investors; and

(ii) Other Investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

If the Retail Individual Investor category is entitled to more than 50.00% (Fifty Percent) on proportionate basis, accordingly the Retail Individual Investor shall be allocated that higher percentage. For further details, please refer to the section titled '**Issue Structure**' beginning on page 187 of this Draft Prospectus.

## SUMMARY FINANCIAL STATEMENTS

The following tables set forth summary financial information is derived from Restated Financial Statements for the period ending December 31, 2022, the Financial Year March 31<sup>st</sup> 2022 and the period ended March 31<sup>st</sup>, 2021. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations.

The summary financial information presented below should be read in conjunction with the sections and notes mentioned therein entitled under 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' and 'Restated Financial Statement' beginning on page 154 and 130, respectively of this Draft Prospectus.

### Restated Summary Statement of Assets and Liabilities

(₹ in '000)

Particulars	As at December 31, 2022	As at March 31, 2022	As at March 31,2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders funds</b>			
(a) Share capital	3,073.32	100	100
(b) Reserves and surplus	13,392.55	341.39	(50)
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	-	-	-
(b) Deferred tax liabilities (Net)	7.12	-	-
<b>3. Current liabilities</b>			
(a) Short-term borrowings	90.05	-	-
(b) Trade payables	-	-	-
i) Total outstanding dues of micro enterprise and small enterprise			
ii) Total outstanding dues other than micro enterprise and small enterprise	829.68	928.27	-
(c) Short-term provisions	638.43	124.01	-
(d) Other current liabilities	165.45	9.00	25.00
<b>TOTAL</b>	<b>18196.60</b>	<b>1,502.67</b>	<b>75.00</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment			
Tangible Assets	344.27	47.04	-
Capital work in progress			
Intangible Assets	-	-	-
(b) Non-Current Assets	-	-	-
(c) Non-Current Investment	-	-	-
(d) Deferred Tax Assets (net)	-	4.07	-
(e) Other non-current assets	-	-	-
<b>2. Current assets</b>			
(a) Inventories	9,235.98	-	-
(b) Trade receivables	6,377.85	10.85	-
(c) Cash & bank balances	1663.84	1,384.09	75.00
(d) Short term loan and advances			
(e) Other Current Assets	574.66	56.62	-
(f) Deferred Tax Assets	-	-	-
<b>TOTAL</b>	<b>18,196.60</b>	<b>1,502.67</b>	<b>75.00</b>

**Restated Summary Statement of Profit and Losses**

(₹ in '000)

Particulars	Period ended December 31, 2022	Year Ended March 31, 2022	Year Ended March 31, 2021
I. Revenue from operations	10,558.97	1,625.77	-
II. Other income	1.36	-	-
<b>III. Total Revenue (I + II)</b>	<b>10,560.33</b>	<b>1,625.78</b>	<b>-</b>
IV. Expenses:			
Changes in inventories of finished goods	(9,235.98)	-	-
Employee benefits expense	230.00	-	-
Finance costs	17.16	2.02	-
Depreciation and amortization expense	30.92	6.33	-
Other expenses	1,412.37	90.67	50.00
<b>Total expenses</b>	<b>8,192.03</b>	<b>1,114.44</b>	<b>50.00</b>
<b>V. Profit before exceptional items and tax</b>	<b>2,366.18</b>	<b>511.34</b>	<b>(50.00)</b>
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items</b>			
VIII. Extraordinary Items-	-	-	-
<b>IX. Profit before tax (VII- VIII)</b>	<b>2,368.30</b>	<b>511.33</b>	<b>(50.00)</b>
X. Tax expense:			
(1) Current tax	604.57	124.01	
(2) Deferred tax	11.20	(4.07)	
(3) Interest on Income Tax		-	-
Total tax Expenses	615.76	119.94	
<b>XI. Profit (Loss) for the period from continuing operations</b>	<b>1752.54</b>	<b>391.39</b>	<b>(50.00)</b>
XII. Profit/(loss) from discontinuing		-	-
XIII. Tax expense of discontinuing		-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV. Profit (Loss) for the period (XI + XIV)</b>	<b>1752.54</b>	<b>391.39</b>	<b>(50.00)</b>
XVI Earnings per equity share:			
(1) Basic	156.34	39.14	-5.00
(2) Diluted	2.25	0.50	-0.06

**Restated Summary Statement of Cash Flows**

*(₹ in '000)*

Particulars	Period ended December 31, 2022	Year Ended March 31, 2022	Year Ended March 31,2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Restated Net profit Before Tax and	2,368.30	511.33	(50.00)
<b>Adjustments For:</b>			
Depreciation	30.92	6.33	-
Finance Cost	17.16	2.02	-
<b>Operating Profit before working Capital</b>	<b>2,416.38</b>	<b>519.68</b>	<b>(50.00)</b>
<b>Adjustment For:</b>			
Decrease/(Increase) in Inventories	(9,235.98)	-	-
Decrease/(Increase) in Trade receivables	(6,367.00)	(10.85)	-
Decrease/(Increase) in short term loans & Advances	-	-	-
Decrease/(Increase) in Other Current Assets	(518.04)	(56.62)	-
Long term Deposits	-	-	-
(Decrease)/Increase in Short- term borrowings	-	-	-
(Decrease)/Increase in Trade Payables	(98.59)	928.27	-
(Decrease)/Increase in Other current liabilities	156.45	(16.00)	25.00
(Decrease)/Increase in Short-term Provisions	514.42	124.01	-
<b>Cash Generated from Operations</b>	<b>(13,132.37)</b>	<b>1,488.49</b>	<b>(25.00)</b>
Taxes Paid	(604.57)	(124.01)	-
<b>Net Cash From /(Used In ) Operating Activities</b>	<b>(13,736.93)</b>	<b>1,364.48</b>	<b>(25.00)</b>
<b>Cash Flow From Investing Activities</b>			
(Purchase)/ Sale of Fixed Assets	(328.15)	(53.37)	-
Decrease/ (Increase) in Non Current investments	-	-	-
<b>Net Cash From /(Used In ) Investing</b>	<b>(328.15)</b>	<b>(53.37)</b>	-
<b>Cash Flow From Financing Activities</b>			
Proceeds from Issue of Shares	2,973.32	-	100
Proceeds from Security Premium	11,298.62	-	-
Net of Repayment/Proceeds from Long /Short Term Borrowings	90.05	-	-
Repayment of loans	-	-	-
Proceeds from loans	-	-	-
Interest and Finance Charges	(17.31)	(2.02)	-
<b>Net Cash From Financing Activities (c)</b>	<b>14,344.83</b>	<b>-2.02</b>	<b>100</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>279.75</b>	<b>1309.09</b>	<b>75.00</b>
<b>Cash and Cash equivalents at the beginning</b>	<b>1384.09</b>	<b>75.00</b>	<b>0.00</b>
<b>Cash and Cash equivalents at the end</b>	<b>1663.84</b>	<b>1,384.09</b>	<b>75.00</b>

**NOTE**

The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company in Annexure 1, 2 and 4. The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

## GENERAL INFORMATION

Our Company was originally incorporated on March 05, 2021, as a private limited Company under the name and style of Shoora Designs Private Limited under the provisions of Companies Act, 2013. Vide Extraordinary General Meeting held on December 15, 2022, the business of M/s Rajeshbhai Labhubhai Mer, a sole proprietorship concern was taken over. Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on January 02, 2023, our Company was converted into a Public Limited Company and the name of the Company was changed to 'Shoora Designs Limited' and a fresh Certificate of Incorporation dated January 04, 2023 issued by Registrar of Companies, Ahmedabad.

For details of changes in name and registered offices of our Company, please refer to the section titled '*History and Certain Corporate matters*' beginning on page 103 of this Draft Prospectus.

<b>Our Company and Issue Related Information</b>	
<b>Registered Office</b>	<b>Shoora Designs Limited</b> Diamond Apts. Co-Op HSG. Society Lt H No. 7/3388/A, 6th Floor C/1, 601 Haththupura Char Rasta, Surat – 395003, Gujarat, India Telephone: +91 9004746705 Email id: <a href="mailto:compliance@shooradesigns.com">compliance@shooradesigns.com</a> Website: <a href="http://www.shooradesigns.com">www.shooradesigns.com</a>
<b>Date of Incorporation</b>	March 05, 2021
<b>Registration Number</b>	120894
<b>Corporate Identification Number</b>	U74110GJ2021PLC120894
<b>Company Category</b>	Company limited by Shares
<b>Company Sub Category</b>	Non-govt company
<b>Address of the Registrar of Companies</b>	<b>Registrar of Companies, Ahmedabad, Gujarat</b> ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat, India
<b>Designated Stock Exchange</b>	BSE Limited, 25 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India
<b>Issue Programme</b>	<b>Issue Opens on: [●]</b> <b>Issue Closes on: [●]</b>
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Priti Mohata</b> <b>Shoora Designs Limited</b> Diamond Apts. Co-Op HSG. Society Lt H No. 7/3388/A, 6th Floor C/1, 601 Haththupura Char Rasta, Surat – 395003, Gujarat, India Telephone: +91 9004746705 Email id: <a href="mailto:compliance@shooradesigns.com">compliance@shooradesigns.com</a> Website: <a href="http://www.shooradesigns.com">www.shooradesigns.com</a>
<b>Chief Financial Officer</b>	<b>Mr. Ashwin Madhabhai Makwana</b> <b>Shoora Designs Limited</b> Diamond Apts. Co-Op HSG. Society Lt H No. 7/3388/A, 6 <sup>th</sup> Floor C/1, 601 Haththupura Char Rasta, Surat – 395003, Gujarat, India Telephone: +91 9004746705 Email id: <a href="mailto:compliance@shooradesigns.com">compliance@shooradesigns.com</a> Website: <a href="http://www.shooradesigns.com">www.shooradesigns.com</a>

## Board of Directors

Our Company's Board comprises of the following Directors:

Sr. No.	Name	DIN	Address	Designation
1.	Mr. Satish K Kansodariya	08444489	Plot no. 24, Laxmi Narayan society, Dabholi char rasta, Katargam Surat – 395004, Gujarat, India	Managing Director
2.	Mr. Rajeshbhai Labhubhai Mer	09684481	225, Reliance Nagar Near Ambica Nagar, Sayan Road, Amroli, Surat – 394107, Gujarat, India	Whole Time Director
3.	Mrs. Sejalben Satish Kansodariya	08060539	Plot no. 24, Laxmi Narayan society, Dabholi char rasta, Katargam Surat – 395004, Gujarat, India	Non-Executive Director
4.	Mr. Bhankhodiya Dharmesh Ishvarbhai	09855076	492, Reliance Nagar, Near Shree Ram Chok, Sayan Road, Amroli, Surat- 394107, Gujarat, India	Non-Executive Independent Director
5.	Mr. Jigneshbhai Valjibhai Mer	09855075	192, Reliance Nagar, Near Shree Ram Chok, Sayan Road, Amroli, Surat– 394107, Gujarat, India	Non- Executive Independent Director

For further details of the Board of Directors, please refer to the section titled '*Our Management*' beginning on page 110 of this Draft Prospectus.

**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.**

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection Centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case maybe, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchange with a copy to the Registrar.

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

<p><b>LEAD MANAGER TO THE ISSUE</b>  <b>Swaraj Shares and Securities Private Limited</b>  304, A Wing, 215 Atrium Near Courtyard Marriot, Andheri Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India  <b>Telephone:</b> +91-22-6964-9973  <b>Email:</b> compliance@swarajshares.com  <b>Investor Grievance Email ID:</b> investor.relations@swarajshares.com  <b>Contact Person:</b> Pankita Patel/ Tanmoy Banerjee  <b>Website:</b> <a href="http://www.swarajshares.com">www.swarajshares.com</a>  <b>SEBI Registration Number:</b> INM00012980  <b>CIN:</b> U51101WB2000PTC092621</p>	<p><b>LEGAL ADVISOR TO THE ISSUE</b>  <b>Sushmita Adhikari &amp; Associates</b>  138/17, Anupam Garden, Saket- 110068, Delhi, India.  <b>Contact No.:</b> +91 9990536363  <b>Email-ID:</b> cssushmitaadhikari2021@gmail.com  <b>Contact Person:</b> Ms. Sushmita Adhikari  <b>Firm Registration No.:</b> S2022DE863100</p>
<p><b>REGISTRAR TO THE ISSUE</b>  <b>KFin Technologies Limited</b>  Selenium, Tower-B, Plot 31&amp; 32, Gachibowli Financial District Nanakramguda, Hyderabad – 500032, Telangana, India  <b>Telephone:</b> +91-40-6716-2222  <b>Email:</b> <a href="mailto:shooradesigns.ipo@kfintech.com">shooradesigns.ipo@kfintech.com</a>.  <b>Investor Grievance Email ID:</b> einward.ris@kfintech.com  <b>Contact Person:</b> M Murali Krishna  <b>Website:</b> www.kfintech.com  <b>SEBI Registration Number:</b> INR000000221  <b>CIN:</b> L72400TG2017PLC117649</p>	<p><b>STATUTORY &amp; PEER REVIEW AUDITORS TO THE COMPANY</b>  <b>Piyush Kothari &amp; Associates,</b>  <b>Chartered Accountants</b>  E 9 Nilaknthvarni Ghanshyam Nagar Opposite RTO Near Subhash Bridge Ashram Road, Ahmedabad – 380027, Gujarat, India  <b>Tel:</b> +91-8849398150  <b>Email:</b> piyushkothari9999@gmail.com  <b>Contact Person:</b> Piyush Kothari  <b>Firm Registration:</b> 140711W  <b>Membership Number:</b> 158407  <b>Peer Review Registration Number:</b> 013450</p>
<p><b>BANKER TO THE COMPANY</b>  <b>IndusInd Bank Limited</b>  4/32, Ganchi Sheri, Opp Fire Station, Tower Road, Bhagal, Surat – 395003, Gujarat, India.  <b>Tel:</b> 9978919829  <b>Fax No.:</b> N.A.  <b>Email:</b> <a href="mailto:bhgj@indusind.com">bhgj@indusind.com</a>  <b>Website:</b> <a href="http://www.indusind.com">www.indusind.com</a>  <b>Contact Person:</b> Mitesh Chauhan</p>	<p><b>BANKERS TO THE ISSUE / PUBLIC ISSUE BANK / REFUND BANKER<sup>^</sup></b>  [•]  <b>Tel:</b> [•]  <b>Fax No.:</b>[•]  <b>Email:</b> [•]  <b>Website:</b> [•]  <b>Contact Person:</b> [•]</p>

<sup>^</sup> To be appointed before the issue opening date.

Piyush Kothari & Associates, Chartered Accountant is a peer review auditor of our Company in compliance with section 11 of part A of Schedule VI of SEBI (ICDR) 2018 and hold a valid peer review certificate number 013450 dated August 04, 2021, issued by the 'Peer Review Board' of the ICAI.

### Statement of *inter se* allocation of Responsibilities for the Issue

Swaraj Shares and Securities Private Limited is the sole Lead Manager to the 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 Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor-Syndicate-ASBA>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.



## **Broker Centres/ Designated CDP Locations/ Designated RTA Locations**

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at [www.bsesme.com](http://www.bsesme.com). The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers 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**

As the Issue is 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 Chapter 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 ₹10,00,000 Thousands. Since the Issue size is only of ₹[●] Thousands, 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**

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

## **Expert Opinion**

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

Our Company has received written consent dated February 06, 2023, from the Statutory Auditors namely, Piyush Kothari & Associates, Chartered Accountants, Statutory Auditors, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as an 'Expert' as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, dated February 09, 2023, and the statement of tax benefits dated February 06, 2023, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term 'Expert' shall not be construed to mean an 'expert' as defined under the Securities Act.

## **Filing of Offer Document**

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of

Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at www.sebi.gov.in. A copy of the Prospectus along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad, Gujarat, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013, Gujarat, India.

### **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.

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. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

### **Issue Programme**

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

<b>Event</b>	<b>Indicative Date</b>
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

### **Underwriting**

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by the Underwriter [●]. The underwriting agreement is dated [●] 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, Fax No., and Email of the Underwriter	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size Underwritten
[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

In the opinion of the Board of Directors of our Company, the resource of the above-mentioned Underwriter is sufficient to enable them to discharge their respective obligations in full.

#### Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Banks, as applicable, to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue at any stage including after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

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

Our Company has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this Issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No.</b>	[●]

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations 2018 and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

The Market Maker(s) (*individually or jointly*) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s).

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 and the same shall be updated in the Draft Prospectus.

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 BSE SME platform of the BSE and SEBI from time to time.

The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to Issue their holding to the Market Maker(s) (*individually or jointly*) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSESME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the BSESME Platform of BSE from time to time).

The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified 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).

After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing two (2) way quotes.

There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.

Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him. There would not be more than five (5) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

On the first day of the listing, there will be pre 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.

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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) 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 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(1) of the SEBI (ICDR) Regulations 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on Working Days.

#### **Risk containment measures and monitoring for Market Makers:**

BSESME platform of the BSE will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

#### **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 following spread will be applicable on the BSESME platform of the BSE.

<b>Market Price Slab</b>	<b>Proposed spread (in % to sale price)</b>
Up to ₹50	9
₹50 to ₹75	8
₹75 to ₹100	6
Above ₹100	5

**Punitive Action in case of default by Market Makers:**

BSE SME platform of the BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (Issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

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:

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)</b>
Up to ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

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

## CAPITAL STRUCTURE

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

(₹ in '000, except Equity share data)

Sr. No	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A.	<b>AUTHORIZED SHARE CAPITAL</b>		
	15,00,000 equity shares of face value of ₹10.00/- each	15,000.000	-
B.	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	10,75,662 equity shares of face value of ₹10.00/- each	10,756.620	[●]
C.	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS</b>		
	Issue of up to 4,24,000 Equity Shares of Face Value of ₹10.00/- for cash at a price of ₹ [●]/- <sup>(1)</sup>	4,240.00	[●]
	<b>Which comprises of:</b>		
	<b>Reservation for Market Maker portion</b>		
	[●] Equity Shares of Face Value of ₹10.00/- each for cash at a price of ₹ [●]/- (Rupees [●] Only) per Equity Share reserved as Market Maker Portion	[●]	[●]
	<b>Net Issue to the Public</b>		
	[●] Equity Shares of Face Value of ₹10.00/- for cash at ₹ [●]/- (Rupees [●] Only) per Equity Share	[●]	[●]
#	<b>Of which:</b>		
	[●] Equity Shares of Face Value of ₹10.00/- each for cash at a price of ₹ [●]/- (Rupees [●] Only) per Equity Share will be available for allocation for allotment to Retail Individual Investors	[●]	[●]
	[●] Equity Shares of Face Value of ₹10.00/- each for cash at a price of ₹ [●]/- (Rupees [●] Only) per Equity Share will be available for allocation for allotment to Retail Individual Investors	[●]	[●]
D.	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>		
	[●] Equity Shares of Face Value of ₹10.00/- each	[●]	--
E.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue (as on date of this Draft Prospectus)		13,390.99
	After the Issue		[●]

# Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations, and guidelines. For detailed information on the Net Issue and its allocation various categories, please refer to the section titled 'Issue Information' beginning on page 180 of this Draft Prospectus.

<sup>(1)</sup> This Issue has been authorised by our Board vide resolution dated January 16, 2023, which is subsequently approved by our Shareholders vide special resolution passed under clause (c) of sub-section (1) of Section 62 of Companies Act, 2013 at an extra-ordinary general meeting dated January 18, 2023.

### Class of Shares

As on date of this Draft Prospectus, our Company has only one class of shares, namely being, equity shares having face value of ₹10.00/- (Rupees Ten Only) each only, ranking pari-passu in all respect.

All the Equity Shares of our Company issued are fully paid-up as on the date of this Draft Prospectus.

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

## Notes to Capital Structure

### 1. Changes in the authorized share capital of Our Company

Sr. No.	Date of Shareholders' approval	EGM/AGM	Authorized Share Capital	Details of amendment
(i)	March 05, 2021	Initial subscription to the Memorandum of Association	₹5,00,000.00	Incorporated with an authorized share capital of ₹5,00,000.00 comprising of 50,000 equity shares of face value ₹10.00/- each.
(ii)	November 24, 2022	Extra-Ordinary General Meeting	₹1,50,00,000.00	The authorized share capital was increased from ₹5,00,000.00 comprising of 50,000 equity shares of face value of ₹10.00/- each to ₹1,50,00,000.00 comprising of 15,00,000 equity shares of face value of ₹10.00/- each

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

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

Date of Allotment/ Date of Shareholder's Resolution	Reason/ Nature of Allotment	No. of Equity Shares allotted	Cumulative No. of equity shares	Face value per equity share	Issue price per Equity Share	Form of consideration
March 05, 2021	Initial subscription to the Memorandum of Association <sup>(1)</sup>	10,000	10,000	₹10.00	₹10.00	Cash
December 26, 2022	Preferential Issue <sup>(2)</sup>	2,208	12,208	₹10.00	₹48.00	Consideration other than Cash
December 31, 2022	Conversion of Unsecured Loan <sup>(3)</sup>	2,95,124	3,07,332	₹10.00	₹48.00	Cash
January 01, 2023	Bonus Issue <sup>(4)</sup>	7,68,330	10,75,662	₹10.00	Not Applicable	Consideration other than Cash

#### Notes to the Capital Structure

(1) Initial subscription to Memorandum of Association of 5,000 Equity Shares by Mr. Vipulbhai Karmshibhai Anghan and 5,000 Equity Shares by Mr. Satish K Kansodariya;

(2) Allotment of 2,208 Equity Shares to Mr. Rajeshbhai Labhubhai Mer under Preferential Issue upon takeover of Proprietorship Business namely M/s Rajeshbhai Labhubhai Mer vide Business Takeover Agreement dated December 15, 2022;

(3) Upon Conversion of Unsecured loan, allotted 61,458 Equity Shares to Mr. Rajeshbhai Labhubhai Mer, 73,250 Equity Shares to Mrs. Sejalben Satish Kansodariya, 1,29,166 Equity Shares to Mr. Satish K Kansodariya and 31,250 Equity Shares to Mrs. Jagrutiben Rajeshbhai Mer;

(4) Bonus Issue (ratio of 5 Equity Shares for every 2 Equity Shares held) of 1,66,665 Equity Shares to Mr. Rajeshbhai Labhubhai Mer, 1,90,625 Equity Shares to Mrs. Sejalben Satish Kansodariya, 3,27,915 Equity Shares to Mr. Satish K Kansodariya, 78,125 Equity Shares to Mrs. Jagrutiben Rajeshbhai Mer and 5,000 Equity Shares to Mr. Vipulbhai Karmshibhai Anghan;

### 3. Equity Shares issued for consideration other than cash.

Except as stated below, our Company has not issued any Equity Shares for consideration other than cash:

Date of allotment	Name of the allottee	No. of shares allotted	Face value per share	Issue price per share	Reason for allotment	Benefits incurred to our Company
December 26, 2022	Mr. Rajeshbhai Labhubhai Mer	2,208	₹10.00	₹48.00	Takeover of Proprietorship Business of M/s. Rajeshbhai Mer	To acquire ongoing business along with its asset and brand recognition in market
December 31, 2023	Mr. Rajeshbhai Labhubhai Mer	61,458	₹10.00	₹48.00	Conversion of Unsecured Loan	To meet need of working capital in the Business
	Ms. Sejalben Satish Kansodariya	73,250	₹10.00	₹48.00		
	Mr. Satish K Kansodariya	1,29,166	₹10.00	₹48.00		
	Ms. Jagrutiben Rajeshbhai Mer	31,250	₹10.00	₹48.00		
January 01, 2023	Mr. Rajeshbhai Labhubhai Mer	1,66,665	₹10.00	N.A.	Bonus Issue	Capitalization of reserves and surplus
	Ms. Sejalben Satish Kansodariya	1,90,625	₹10.00	N.A.		
	Mr. Satish K Kansodariya	3,27,915	₹10.00	N.A.		
	Ms. Jagrutiben Rajeshbhai Mer	78,125	₹10.00	N.A.		
	Mr. Vipulbhai Karmshibhai Anghan	5,000	₹10.00	N.A.		

### 4. Equity Shares issued for consideration out of revaluation reserve.

Our Company has not issued any Equity Shares out of its revaluation reserves at any time since incorporation.

### 5. Issue of Equity Shares pursuant to schemes of arrangement.

No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of this Draft Prospectus.

### 6. Issue of Equity Shares under employee stock option

As on the date of this Draft Prospectus, our Company has not made issuance of shares under any employee stock option scheme.

### 7. Issue of shares at a price lower than Issue Price in last one year

Except as stated below, our Company has not issued any Equity Shares in the last one year immediately preceding the date of this Draft Prospectus at a price which may be lower than the Issue Price:

Date of allotment	Name of the allottee	No. of shares allotted	Face value per share	Issue price per share	Reason for allotment	Benefits incurred to our Company
January 01, 2023	Mr. Rajeshbhai Labhubhai Mer	1,66,665	₹10.00	N.A.	Bonus Issue	Capitalization of reserves and surplus
	Ms. Sejalben Satish Kansodariya	1,90,625	₹10.00	N.A.		
	Mr. Satish K Kansodariya	3,27,915	₹10.00	N.A.		
	Ms. Jagrutiben Rajeshbhai Mer	78,125	₹10.00	N.A.		
	Mr. Vipulbhai Karmshibhai Anghan	5,000	₹10.00	N.A.		

### 8. The Issue Price of ₹[●]/- (Rupees [●] Only) is determined by our Company in consultation with the Lead Manager.



## 9. Shareholding Pattern of our Company

Table I – Shareholding pattern of our Company as on the date of this Draft Prospectus

Category (I)	Category of shareholder (II)	No. 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 No. of shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total number of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C)	No. of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise Encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								No. of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a total Shares held (b)	Number (a)	As a total Shares held (b)	
								Class: Equity Shares	Total								
<b>(A)</b>	<b>Promoter and Promoter Group</b>	<b>6</b>	<b>10,75,661</b>	-	-	<b>10,75,661</b>	<b>99.99%</b>	<b>10,75,661</b>	<b>99.99%</b>	<b>99.99%</b>	-	<b>99.99%</b>	-	-	-	-	<b>10,75,661</b>
	<b>Promoters</b>	<b>3</b>	<b>9,59,285</b>	-	-	<b>9,59,285</b>	<b>89.18%</b>	<b>9,59,285</b>	<b>89.18%</b>	<b>89.18%</b>	-	<b>89.18%</b>	-	-	-	-	<b>9,59,285</b>
1.	Mr. Rajeshbhai Labhubhai Mer	1	2,33,330	-	-	2,33,330	21.69%	2,33,330	21.69%	21.69%	-	21.69%	-	-	-	-	2,33,330
2.	Mrs. Sejalben Satish Kansodariya	1	2,66,875	-	-	2,66,875	24.81%	2,66,875	24.81%	24.81%	-	24.81%	-	-	-	-	2,66,875
3.	Mr. Satish K Kansodariya	1	4,59,080	-	-	4,59,080	42.68%	4,59,080	42.68%	42.68%	-	42.68%	-	-	-	-	4,59,080
	<b>Promoter Group</b>	<b>3</b>	<b>1,16,376</b>			<b>1,16,376</b>	<b>10.82%</b>	<b>1,16,376</b>	<b>10.82%</b>	<b>10.82%</b>	-	<b>10.82%</b>	-	-	-	-	<b>1,16,376</b>
1.	Mrs. Jagrutiben Rajeshbhai Mer	1	1,09,375	-	-	1,09,375	10.17%	1,09,375	10.17%	10.17%	-	10.17%	-	-	-	-	1,09,375
2.	Mr. Paresh Labhubhai Mer	1	1	-	-	1	Negligible	1	Negligible	Negligible	-	Negligible	-	-	-	-	1
3.	Mr. Vipulbhai Karmshibhai Anghan	1	7,000	-	-	7,000	0.65%	7,000	0.65%	0.65%	-	0.65%	-	-	-	-	7,000
<b>(B)</b>	<b>Public #</b>	<b>1</b>	<b>1</b>	-	-	<b>1</b>	<b>0.01%</b>	<b>1</b>	<b>0.01%</b>	<b>0.01%</b>	-	<b>0.01%</b>	-	-	-	-	<b>1</b>
1.	Mr. Shaileshbhai Maniya	1	1	-	-	1	0.01%	1	0.01%	0.01%	-	0.01%	-	-	-	-	1

Category (I)	Category of shareholder (II)	No. 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 No. of shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total number of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C)	No. of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise Encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								No. of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a total Shares held (b)	Number (a)	As a total Shares held (b)	
								Class: Equity Shares	Total								
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (A+B+C)</b>	<b>7</b>	<b>10,75,662</b>	-	-	<b>10,75,662</b>	<b>100.00%</b>	<b>10,75,662</b>	<b>100.00%</b>	<b>100.00%</b>	-	<b>100.00%</b>	-	-	-	-	<b>10,75,662</b>

## 10. Details of shareholding of the major shareholders our Company

- (a) As on the date of the filing of this Draft Prospectus, our Company has Seven shareholders.
- (b) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as on the date of filing of this Draft Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share Capital (%)
(i)	Mr. Rajeshbhai Labhubhai Mer	2,33,330	21.69%
(ii)	Mrs. Sejalben Satish Kansodariya	2,66,875	24.81%
(iii)	Mr. Satish K Kansodariya	4,59,080	42.68%
(iv)	Mrs. Jagrutiben Rajeshbhai Mer	1,09,375	10.17%
	<b>Total</b>	<b>10,68,660</b>	<b>99.35%</b>

- (c) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of ten days prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share Capital (%)
(i)	Mr. Rajeshbhai Labhubhai Mer	2,33,330	21.69%
(ii)	Ms. Sejalben Satish Kansodariya	2,66,875	24.81%
(iii)	Mr. Satish K Kansodariya	4,59,080	42.68%
(iv)	Ms. Jagrutiben Rajeshbhai Mer	1,09,375	10.17%
	<b>Total</b>	<b>10,68,660</b>	<b>99.35%</b>

- (d) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of one year prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share Capital (%)
(i)	Mr. Rajeshbhai Labhubhai Mer	3,000	30.00%
(ii)	Mrs. Sejalben Satish Kansodariya	3,000	30.00%
(iii)	Mr. Satish Kalubhai Kansodariya	2,000	20.00%
(iv)	Mr. Vipulbhai Karmshibhai Anghan	2,000	20.00%
	<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

- (e) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share Capital of our Company, on a fully diluted basis, as of two years prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share Capital (%)
(i)	Mr. Satish K Kansodariya	5,000	50.00%
(ii)	Mr. Vipulbhai Karmshibhai Anghan	5,000	50.00%
	<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

- (f) The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares	Cost of Acquisition
(i)	Mr. Rajeshbhai Labhubhai Mer	2,33,330	₹13.2255/-
(ii)	Ms. Sejalben Satish Kansodariya	2,66,875	₹13.2871/-
(iii)	Mr. Satish K Kansodariya	4,59,080	₹13.5487/-

11. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether

on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

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

- (a) As on the date of this Draft Prospectus, our Promoters hold Equity Shares, equivalent to 89.18% of the issued, subscribed, and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
(i)	Mr. Rajeshbhai Labhubhai Mer	2,33,330	21.69%	[●]	[●]
(ii)	Ms. Sejalben Satish Kansodariya	2,66,875	24.81%	[●]	[●]
(iii)	Mr. Satish K Kansodariya	4,59,080	42.68%	[●]	[●]

\* Subject to finalisation of basis of Allotment

- (b) Our Promoters and Promoters' Group have dematerialized their Equity Shares;

- (c) Build-up of the Promoters' shareholding in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Nature of transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital*
<b>(i) Mr. Satish K Kansodariya</b>						
Allotment as Initial subscriber to the MoA	March 05, 2021	5,000	₹10.00	₹10.00	0.46%	[●]
Transfer to Mrs. Sejalben Satish Kansodariya	June 30, 2021	(3,000)	₹10.00	₹10.00	(0.28%)	[●]
Conversion of Unsecured loan to Equity	December 31, 2022	1,29,166	₹10.00	₹48.00	12.01%	[●]
Bonus Issue	January 01, 2023	3,27,915	₹10.00	Not Applicable	30.48%	[●]
Transfer to Mr. Shaileshbhai Maniya	January 01, 2023	(1)	₹10.00	₹50.00	Negligible	[●]
<b>Total</b>		<b>4,59,080</b>	<b>₹10.00</b>		<b>42.68%</b>	<b>[●]</b>
<b>(ii) Mrs. Sejalben Satish Kansodariya</b>						
Transfer from Mr. Satish K Kansodariya	June 30, 2021	3,000	₹10.00	₹10.00	0.28%	[●]
Conversion of Unsecured loan to Equity	December 31, 2022	73,250	₹10.00	₹48.00	6.81%	[●]
Bonus Issue	January 01, 2023	1,90,625	₹10.00	Not Applicable	17.72%	[●]
<b>Total</b>		<b>2,66,875</b>	<b>₹10.00</b>		<b>24.81%</b>	<b>[●]</b>

Nature of transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital*
<b>(iii) Mr. Rajeshbhai Labhubhai Mer</b>						
Transfer from Mr. Vipulbhai Karmshibhai Anghan	June 30, 2021	3,000	₹10.00	₹10.00	0.28%	[●]
Preferential Allotment upon Takeover of Proprietorship business	December 26, 2022	2,208	₹10.00	₹48.00	0.21%	[●]
Conversion of Unsecured loan to Equity	December 31, 2022	61,458	₹10.00	₹48.00	5.71%	[●]
Bonus Issue	January 01, 2023	1,66,665	₹10.00	Not Applicable	15.49%	[●]
Transfer to Mr. Paresh Labhubhai Mer	January 01, 2023	(1)	₹10.00	₹50.00	Negligible	[●]
<b>Total</b>		<b>2,33,330</b>	<b>₹10.00</b>		<b>21.69%</b>	<b>[●]</b>

(d) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged;

Except as mentioned below, none of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Prospectus:

Date of allotment	Name of the allottee	No. of shares allotted	Face value per share	Issue price per share	Reason for allotment
December 26, 2022	Mr. Rajeshbhai Labhubhai Mer	2,208	₹10.00	₹48.00	Takeover of Proprietorship Business of M/s. Rajeshbhai Mer
December 31, 2023	Mr. Rajeshbhai Labhubhai Mer	61,458	₹10.00	₹48.00	Conversion of Unsecured Loan
	Mrs. Sejalben Satish Kansodariya	73,250	₹10.00	₹48.00	
	Mr. Satish K Kansodariya	1,29,166	₹10.00	₹48.00	
	Ms. Jagrutiben Rajeshbhai Mer	31,250	₹10.00	₹48.00	
January 01, 2023	Mr. Rajeshbhai Labhubhai Mer	1,66,665	₹10.00	N.A.	Bonus Issue
	Mrs. Sejalben Satish Kansodariya	1,90,625	₹10.00	N.A.	
	Mr. Satish K Kansodariya	3,27,915	₹10.00	N.A.	
	Mrs. Jagrutiben Rajeshbhai Mer	78,125	₹10.00	N.A.	
	Mr. Vipulbhai Karmshibhai Anghan	5,000	₹10.00	N.A.	

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

### 13. Details of Promoters' contribution and locked-in for Three Years

- (a) Pursuant to Regulation 236 and Regulation 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by the Promoters shall be locked in for a period of Three Years as minimum promoters' contribution from the date of Allotment (hereinafter referred to as '**Minimum Promoters' Contribution**'), and the Promoters' shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of One Year from the date of Allotment;
- (b) Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Minimum Promoters' Contribution constituting [●]% of the post-Issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters Contribution, for a period of three years from the date of allotment in the public Issue;
- (c) Details of the Equity Shares to be locked-in for Three Years from the date of Allotment as Minimum Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares held**	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Issue paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	₹10.00/-	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	₹10.00/-	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	₹10.00/-	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]	₹10.00/-	[●]	[●]	[●]	[●]

\*\*All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares

- (d) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20.00% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoters' Contribution from the date of filing this Draft Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations;
- (e) Our Company undertakes that the Equity Shares that are subject to being lock-in are not and will not be ineligible for computation of Minimum Promoters' Contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations. In pursuance of the aforesaid, we confirm the following:
- (i.a) The Equity Shares offered for Minimum Promoters' Contribution does not include Equity Shares acquired in the three immediately preceding years: (a) acquired for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealized profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution;
- (i.b) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (i.c) The Minimum Promoters' Contribution does not include any Equity Shares allotted through private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary;

- (i.d) Our Company has not been formed by conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the past one year immediately preceding the date of this Draft Prospectus pursuant to conversion from a partnership firm;
- (i.e) The Equity Shares forming part of the Minimum Promoter's Contribution are not subject to any pledge; and
- (i.f) Minimum Promoter's Contribution of [●]% of the post-Issue Equity does not include any contribution from Alternate Investment Fund.

#### **14. Details of Equity Shares locked-in for one year**

In addition to the [●]% of the fully diluted post-Issue shareholding of our Company held by the Promoters and locked-in for three years as specified above, the entire pre-Issue Equity Share capital of our Company shall be subjected to lock-in for a period of One Year from the date of Allotment, in accordance with sub-Regulation (b) of Regulation 238 and Regulation 239 of the SEBI (ICDR) Regulations.

#### **15. Recording on non-transferability of Equity Shares locked-in**

In compliance with Regulation 241 of the SEBI (ICDR) Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

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

- (a) In pursuance of Regulation 242 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters' and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:
- (b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for a period of three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Issue.
- (c) With respect to the Equity Shares locked-in for a period of Three Years from the date of Allotment, such pledge of the said Equity Shares is one of the terms of the sanction of the loan;

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

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

Further, in terms of Regulation 239 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee and compliance with the provisions of the SEBI (SAST) Regulations. Our Company, Promoters, Directors, and the Lead Manager have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose;

#### **17. Our Promoters and Promoter Group will not participate in this Issue;**

#### **18. Except Mr. Rajeshbhai Labhubhai Mer, Mr. Satish K Kansodariya and Mrs. Sejalben Satish Kansodariya, none of the other Directors or Key Managerial Personnel of our Company hold any Equity Shares in our Company. For details, refer**

the section titled '*Our Management - Shareholding of our Directors in our Company*' on page 113 of this Draft Prospectus;

**19.** Our Company undertakes that there shall be only one 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;

**20.** There are no Equity Shares against which depository receipts have been issued;

**21.** All Equity Shares issued pursuant to this Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus;

As on the date of this Draft Prospectus, the Lead Manager and their respective associates do not hold any Equity Shares of our Company. The Lead Manager and its affiliates may engage in the transactions with and perform services or our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation;

**22.** There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus;

**23.** Investors may note that in case of over-subscription, Allotment will be on proportionate basis as detailed under the chapter titled '*Issue Procedure*' on page 190 of this Draft Prospectus.

**24.** An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

**25.** An over-subscription to the extent of 10.00% 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 10.00% of the Net Issue, as a result of which, the post-issue paid-up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20.00% of the post Issue paid-up capital is locked in.

**26.** 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;

**27.** No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue;

**28.** As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue;

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

**30.** Our Company shall ensure that all the transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Draft Prospectus and the date of closing of the Issue shall be reported to the Stock Exchange within 24 (Twenty-Four) hours of such transactions.



## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### Fresh Issue

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards working capital requirements and general corporate purposes. Further, the proceeds from the Fresh Issue will also be used towards meeting the expenses in relation to the Issue. In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange, including enhancement of our Company's brand name and creation of a public market for our Equity Shares in India. The main objects clause and objects incidental and ancillary to the main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. The Issue constitutes a public Issue of up to 4,24,000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share.

#### Net Proceeds

Particulars	Amount (₹ in '000)
Gross Proceeds for this Issue	[●]
Less: Issue Expenses	[●]
<b>TOTAL</b>	[●]

#### Utilization of Net Proceeds

We intend to utilize the Net Proceeds of the Issue of ₹[●] Thousands for financing the objects as set forth below:

Sr. No.	Particulars	Amount (₹ in '000)	% of Net Proceeds
1.	Working capital requirements	₹135.00	[●]%
2.	General Corporate Purposes*	[●]	[●]%
	<b>TOTAL</b>	[●]	<b>100.00%</b>

\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue

For further details, see '*Objects of the Offer*' on page 69 of this Draft Prospectus.

#### Means of Finance

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

Sr. No.	Particulars	Amount Required (₹ in '000)	From IPO Proceeds (₹ in '000)	Internal Accruals/Equity /Reserves (₹ in '000)	Balance from Long/ Short Term Borrowing (₹ in '000)
1.	To Meet Working Capital Requirements	35,061.35	13,500.00	21,561.35	0.00
2.	General Corporate Purpose	[●]	[●]	0.00	0.00
3.	Public Issue Expenses	[●]	[●]	0.00	0.00
	<b>Total</b>	[●]	[●]	<b>21,561.35</b>	<b>0.00</b>

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance 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 is 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 the light of changes in Internal / external circumstances or costs or other financial conditions and other factors. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, subject to regulatory approval required under applicable law. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Draft Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled '**Risk Factors**' beginning on page 27 of this Draft Prospectus.

#### **Proposed Schedule of Implementation and Deployment of Funds**

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Total Estimated Cost (₹ in '000)</b>	<b>Amount to be funded from the Net Issue Proceeds (₹ in '000)</b>	<b>Amount already deployed (₹ in '000)</b>	<b>Estimated Utilization of Net Proceeds (₹ in '000) (Up to Financial year 2023-24)*</b>
1.	To Meet Working Capital Requirements	13,500.00	13,500.00	0.00	13,500.00
2.	General Corporate Purpose	[●]	[●]	0.00	[●]
	Total	[●]	[●]	0.00	[●]

\* To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object. Due to general business exigencies, the use of issue proceeds may be interchangeable. However, the use of issue proceeds for general corporate purpose shall not exceed 25% at any point of time.

The fund deployment indicated above is based on current circumstances of our business and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws. For further details, see '**Variation in Objects**' on page 74 of this Draft Prospectus, and '**Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised and our Company has broad discretion over the use of the Net Proceeds and may use them in ways with which you do not agree and in ways that may not enhance our operating results or the price of our Equity Shares**' on page 36 of this Draft Prospectus.

If the actual utilisation towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards any other Object including general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may

explore a range of options including utilising our internal accruals, any additional equity or debt arrangements or both. We believe that such alternate arrangements would be available to fund any such shortfalls.

### Details of the Objects of the Fresh Issue

The details in relation to objects of the Fresh Issue are set forth herein below:

#### 1. Working capital requirements

We are engaged in manufacturing and trading of diamonds majorly in Surat, Gujarat. Our operations include sourcing of rough, polished and uncut diamonds from primary and secondary source suppliers in the domestic market and sale of diamond to the retail and wholesale operations in Gujarat and Mumbai. For March 31, 2022 and 2021 our Net Working Capital requirement of our Company on restated basis was ₹390.28 Thousands and ₹ 50.00 Thousands Respectively. The Net Working capital requirements for the FY 2022-23 & FY 2023-24 is estimated to be ₹ 16,332.08 Thousands & ₹ 35,061.35 Thousands. The Company will meet the requirement to the extent of ₹13,500.00 Thousands from the Net Proceeds of the Issue and internal accruals at an appropriate time as per the requirement.

Basis of estimation of working capital requirement and estimated working capital requirement

(Amount in ₹ '000)

Particulars	As per the Restated Financial Statement for the Financial Year ending March 31		Projected for the Financial Year ending March 31	
	2021	2022	2023	2024
<b>Current Assets</b>				
Inventories				
➤ Raw material	0.00	0.00	2,055.53	4,666.67
➤ Work in Progress	0.00	0.00	994.31	2,650.00
➤ Finished Goods	0.00	0.00	2,494.06	6,903.43
Trade receivables	0.00	10.85	5,869.50	15,000.00
Cash and cash equivalents	75.00	1,384.09	3,857.25	542.92
Loans and advances (Including Long Term)	0.00	0.00	2,344.98	6,500.00
Other Assets	0.00	56.65	0.00	0.00
<b>Total Current Assets</b>	<b>75.00</b>	<b>1,451.59</b>	<b>17,615.63</b>	<b>36,263.01</b>
<b>Current Liabilities</b>				
Trade payables	-	928.29	1,199.06	1,166.67
Other current liabilities	25.00	9.00	0.00	0.00
Short-term provisions	-	124.02	84.49	35.00
<b>Total Current Liabilities</b>	<b>25.00</b>	<b>1,061.31</b>	<b>1,283.55</b>	<b>1,201.67</b>
<b>Net Working Capital</b>	<b>50.00</b>	<b>390.28</b>	<b>16,332.08</b>	<b>35,061.35</b>
<b>Sources of Funds</b>				
Short-Term Borrowing from Banks	-	-	-	-
Loan from directors, Relatives	-	-	0.00	-
Internal Accruals/Existing Net worth	50.00	390.28	16,332.08	21,561.35
Proceeds from IPO	0.00	0.00	0.00	13,500.00
<b>Total</b>	<b>50.00</b>	<b>390.28</b>	<b>16,332.08</b>	<b>35,061.35</b>

### Assumptions for working capital requirements

Particulars	Holding level (in Months)				Justification for Holding
	As per the Restated Financial Statement for the Financial Year ending March 31		Projected for the Financial Year ending March 31		
	2021	2022	2023	2024	
Raw material	0.00	0.00	1.71	2.00	Raw Material holding period for FY 2022-23 & FY 2023-24 is based management estimate to ensure uninterrupted production process, our Company anticipates inventory days at 2 months for FY 2023-24. This will ensure that there is no supply chain disruption impacting the production.
Work in Progress	0.00	0.00	0.91	1.00	Work in Progress cycle of our products for FY 2023-24 is estimated to be 1 months. This estimation is based on work in progress cycle estimated by management.
Finished Goods	0.00	0.00	2.27	2.59	Finished Goods holding period for FY 2023-24 is estimated to be 2.59 Months. This estimation is based on Finished Goods holding period cycle expected by management and to meet expected turnover of FY 2023-24.
Trade Receivables	0.00	0.08	4.50	4.50	Trade receivables are amount owed to Company by clients following completion of services / sale of product. Trade Receivable credit period is based on average credit given to clients of company in and is based on management estimates and to meet projected turnover for FY 2023-24.
Trade Payables	0.00	10.97	1.00	0.50	Trade payables include dues to micro and small enterprises and other creditors. Management of the Company expects credit period from vendors to be 0.50 months to avail better pricing and reducing the cost of purchase by availing discounts from our suppliers.

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. The funding of the working capital requirements of our Company will lead to a consequent increase in our profitability.

## 2. General Corporate purposes

The remaining Net Proceeds, if any, shall be utilized towards general corporate purposes and the amount to be utilized for general corporate purposes shall not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds. Such utilization towards general corporate purposes to drive our business growth, including, amongst other things:

- (i) Funding growth opportunities, including strategic initiatives
- (ii) Acquiring tangible and intangible assets, such as plant and machinery, furniture and fixtures, radio and transmission equipment, spectrum, etc,
- (iii) Meeting any expenses incurred in the ordinary course of business by our Company and its Subsidiary, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties;
- (iv) Meeting our working capital requirements including payment of interest on borrowings
- (v) Meeting of exigencies which our Company may face in course of any business,
- (vi) Brand building and other marketing expenses; and
- (vii) Any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object, i.e., the utilization of Net Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

### Issue Expenses

The Issue expenses are estimated to be approximately ₹[●] Thousands. Other than (a) listing fees, audit fees of statutory auditors (to the extent not attributable to the Issue), expenses for any corporate advertisements consistent with past practice of the Company (not including expenses relating to marketing and advertisements undertaken in connection with the Issue) each of which will be borne solely by the Company. In the event that the Issue is postponed or withdrawn or abandoned for any reason or the Issue is not successful or consummated, all costs and expenses with respect to the Issue shall be borne by our Company, unless specifically required otherwise under applicable law or by the relevant government authority.

Activity	Expenses	% of expenses of total Issue expenses	% of expenses of gross Issue proceeds
Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrar to the Issue and other out of pocket expenses	[●]	[●]	[●]
Fees payable to advertising and marketing expense	[●]	[●]	[●]
Fees Payable to regulators including stock exchange	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Brokerage and Selling Commission	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

### Means of finance

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. For further details, see '*Variation in Objects*' on page 74 of this Draft Prospectus and '*Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised and our Company has broad discretion over the use of the Net Proceeds and may use them in ways with which you do not agree and in ways that may not enhance our operating results or the price of our Equity Shares*' on page 36 of this Draft Prospectus.

### Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company will deposit the Net Proceeds only with one or more scheduled commercial banks included in the second schedule of the RBI Act as may be approved by our Board or IPO Committee.

In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company or for any investment in equity markets.

### **Bridge Financing Facilities**

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

### **Appraising Entity**

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or agency.

### **Monitoring of Utilization of Funds**

Our Company is not required to appoint a monitoring agency pursuant to the proviso of Regulation 41(1) of the ICDR Regulations. Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet, along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32(3) and Part C of Schedule II of the LODR Regulations, our Company shall, on a half-yearly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a half-yearly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution (the 'Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, being the vernacular language of Gujarati, Ahmedabad where the Registered and Corporate Office is situated in accordance with the Companies Act and applicable rules. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree with the proposal to vary the objects, at such price, and in such manner, in accordance with the Companies Act, our AoA, and the SEBI ICDR Regulations.

### **Other confirmations**

No part of the Net Proceeds will be utilized by our Company as consideration to the Promoters, members of the Promoter Group, the Directors, or Key Managerial Personnel.

Our Company has not entered into or is not planning to enter into any arrangement/ agreements with the Promoters, the Directors, the Key Managerial Personnel in relation to the utilization of the Net Proceeds of the Offer.

There is no arrangement whereby any portion of the Issue proceeds will be paid to our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Group Companies.

## BASIS OF ISSUE PRICE

The Issue Price will be determined by our Company, in consultation with the Lead Manager, and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10.00/- (Rupees Ten Only) each and the Issue Price is [●] times the face value.

Investors should read ‘*Risk Factors*’, ‘*Our Business*’, ‘*Restated Financial Information*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on pages 27, 90, 130 and 154, respectively, of this Draft Prospectus to have an informed view before making an investment decision.

### Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Issue Price are as follows:

- Quality and focus on customer satisfaction;
- Expertise;
- Satisfactory track record

For further details, see ‘*Our Business – Our Competitive Strengths*’ on page 92 of this Draft Prospectus.

### Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see ‘*Restated Financial Information*’ on page 130 of this Draft Prospectus.

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

#### 1. Basic and Diluted Earnings Per Share (‘EPS’), as adjusted for changes in capital:

As derived from the Restated Financial Information:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year ended March 31, 2021 (Post Bonus)	(0.06)	(0.06)	1
Financial Year ended March 31, 2022 (Post Bonus)	0.50	0.31	2
<b>Weighted Average</b>	<b>0.31</b>	<b>(0.06)</b>	-
Nine months Period ended December 31, 2022 (Post Bonus)*	2.25	2.25	-

\*Not Annualised

Notes:

- a) The face value of each Equity Share is ₹10.
- b) The figures disclosed above are based on the Restated Financial Information of our Company.
- c) EPS has been calculated by dividing the net profit or (loss) for the respective years by the number of equity shares outstanding as on the last date of the respective years.

#### Price/Earning (‘P/E’) ratio in relation to Issue Price of ₹[●] per Equity Share:

Particulars	P/E
Based on Basic EPS as per the Restated Financial Information for Financial Year 2022	[●]
Based on Weighted Average EPS	[●]
Based on EPS for Nine months period ended December 31, 2022	[●]

## Industry P/E ratio

Particulars	P/E Ratio
Highest	●
Lowest	●
Industry Composite	●

Notes:

The industry high and low has been considered from the industry peer set provided later in this section. For further details, see ‘ - Comparison of accounting ratios with listed industry peers ’ on page 76 of this Draft Prospectus.

## 2. Return on Net Worth (‘RoNW’)

As derived from the Restated Financial Information of our Company:

Particulars	RoNW %	Weight
Financial Year ended March 31, 2021 (Post Bonus)	88.67%	2
Financial Year ended March 31, 2022 (Post Bonus)	(100.00%)	1
<b>Weighted Average</b>	<b>25.78%</b>	-
Nine months Period ended December 31, 2022 (Post Bonus)*	10.64%	

\*Not Annualised

Notes:

RoNW is calculated by dividing the profit or (loss) for the respective years by the shareholders funds as on the last date of the respective years.

## 3. Net Asset Value per Equity Share of face value of ₹10 each

Net Asset Value per Equity Share	(₹)
As on March 31, 2022 (Post Bonus)	0.57
As on December 31, 2022 (Post Bonus)	15.31
After the completion of the Issue	●
Issue Price	●

Notes:

The figures disclosed above are based on the Restated Financial Statements of our Company.

## 4. Comparison of accounting ratios with listed industry peers

Name of the company	Face Value (₹ per share)	Revenue from operations for Financial Year 2022 (₹ in ‘000)	Basic EPS for Financial Year 2022 (₹)	Diluted EPS for Financial Year 2022 (₹)	P/E for Financial Year 2022	RONW for Financial Year 2022 (%)	NAV As at March 31, 2022 (₹)
Shoora Designs Limited	₹10.00/-	1,62,577.00	0.50	0.50	●	88.67%	0.57
<b>Listed Peers</b>							
Ashapuri Gold Ornament Limited	₹10.00/-	16,38,506.00	1.23	1.23	58.5	3.8	32.3
D.P. Abhushan Limited	₹10.00/-	1,73,16,999.00	18.17	18.17	20.6	34.4	60.4
Starlineps Enterprises Limited	₹5.00/-	1,64,22,963.00	0.09	0.09	954.4	1.3	552.2
Veeram Securities Limited	₹2.00/-	1,87,392.00	3.95	3.95	20.1	24.3	2.3



\*Financial information for our Company is derived from Restated Financial Statements of our Company for the year ended March 31, 2022.

Notes:

- a) All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results/public disclosures submitted to stock exchanges or on company's website, as available of the respective company for the year ended March 31, 2022.
- b) P/E ratio for listed peers is calculated as closing share price ([●] - BSE) / Diluted EPS for year ended March 31, 2022.
- c) Net asset value per share (in ₹) = Net worth at the end of the year / Total number of equity shares outstanding as of March 31, 2022.

## 5. Key Performance Indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our Company.

The KPIs disclosed below have been certified by our Statutory Auditor vide its Audit Report dated February 06, 2023.

We have described and defined the KPIs, as applicable, in '**Definitions and Abbreviations**' on page 4.

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

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA	EBITDA provides information regarding the operational efficiency of the business
PAT	Profit after tax provides information regarding the overall profitability of the business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables

(Amount in '000)

Key Financial Performance	Period Ended 31 <sup>st</sup> December, 2022	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Revenue from Operations	10,558.97	1,625.78	-
Total Revenue	10,560.33	1,625.78	-
EBITDA	2,366.00	511.00	(50.00)
PAT	1,750.97	391.39	(50.00)
Net Worth	16,464.31	441.39	50.00

<b>Key Financial Performance</b>	<b>Period Ended 31<sup>st</sup> December, 2022</b>	<b>Year Ended 31<sup>st</sup> March, 2022</b>	<b>Year Ended 31<sup>st</sup> March, 2021</b>
Debt To Equity Ratio	0.01	NA	NA
Current Ratio	11.08	1.37	3.00

**6. The Issue price is [●] times of the face value of the Equity Shares**

The Issue Price of ₹[●] has been determined by our Company in consultation with the Lead Managers, on and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with '*Risk Factors*', '*Our Business*', '*Restated Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 27, 90, 130 and 154, respectively, of this Draft Prospectus to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in '*Risk Factors*' beginning on page 27 of this Draft Prospectus and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,  
**The Board of Directors,  
Shoora Designs Limited**  
Diamond Apartments  
Co-op Hsg Society, LT  
H NO. 7/3388/A 6TH FLOOR,  
C/1, 601 Haththupura Char Rasta  
Surat-395003.

Dear Sir,

**Subject - Statement of special tax benefits ('the statement') available to Shoora Designs Limited ('the company'), and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

### **Reference - Initial Public Offer of Equity Shares by Shoora Designs Limited**

1. We hereby confirm that the enclosed Annexure I, prepared by **Shoora Designs Limited** ('the Company'), which provides the special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the 'Taxation Laws'), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2023-2024 relevant to the financial year 2022-2023, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

5. We do not express any opinion or provide any assurance as to whether
  - i) The Company or its shareholders will continue to obtain these benefits in future;
  - ii) The conditions prescribed for availing the benefits have been / would be met with; and
  - iii) The revenue authorities courts will concur with the views expressed herein.
6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.
7. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
8. 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.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus /Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**Yours Faithfully,**

**For, Piyush Kothari & Associates**  
**Chartered Accountants**  
**FRN: 140711W**

**Piyush Kothari**  
**Partner**  
**Membership No.: 158047**

**Place: Ahmedabad**  
**Date: February 06,2023**  
**UDIN: 23158407BGUXWY3467**

## **ANNEXURE I TO THE STATEMENT OF TAX BENEFITS**

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

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

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

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

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

#### **Note:**

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

We hereby give our consent to include our above referred opinion regarding the special tax benefits available to the Company and to its shareholders in the Draft Prospectus / Prospectus (Collectively called as Offer Document).

## SECTION VIII – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the equity shares. Before deciding to invest in the equity shares, prospective investors should read this Prospectus, including the information in *'Our Business'* and *'Restated Financial Information'* beginning on pages 90 and 130, respectively of this Draft Prospectus. An investment in the equity shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the equity shares, see *'Risk Factors'* beginning on page 27 of this Draft Prospectus.

#### Global Economic Overview

##### Introduction

Global activity is forecast to expand 4 percent in 2021, below previous expectations amid a sharp resurgence of new COVID-19 cases. Global growth is expected to strengthen over the forecast horizon as pandemic-related disruptions fade and as vaccination continues. In emerging market and developing economies (EMDEs), the recovery will be uneven, with a strong rebound in China and softer-than-expected growth across most other economies as the pandemic's lingering effects continue to weigh on consumption and investment. The recovery could be even weaker than envisioned if downside risks materialize, which could exacerbate the losses in per capita income and increase in poverty. Policy makers can raise the likelihood of better outcomes while warding off worse ones through effective pandemic control and structural reforms that boost both productivity and environmental sustainability.

Global activity: Slower-than-expected recovery amid sharp resurgence of virus. Following a collapse last year caused by the COVID-19 pandemic, global activity is forecast to expand 4 percent in 2021. The global recovery, however, has been dampened in the near term by a resurgence of new COVID-19 cases, and the majority of country forecasts have been downgraded in the last six months. Global economic activity is expected to firm over the forecast horizon as confidence, consumption, and trade gradually improve, supported by ongoing vaccination. The materialization of a number of downside risks—including a worsening of the virus, delays in vaccine procurement and distribution, and financial stress amid high debt levels—could derail the projected global recovery. Even if the recovery proceeds as envisioned in the baseline scenario, global output is expected to remain 4.4 percent below pre-pandemic projections by 2022.

EMDE growth: Uneven near-term recovery, subdued outlook. Although aggregate EMDE growth is envisioned to firm to 5 percent in 2021 and to moderate to 4.2 percent in 2022, the improvement largely reflects China's expected rebound. Absent China, the recovery across EMDEs is anticipated to be far more muted, averaging 3.5 percent in 2021-22, as the pandemic's lingering effects continue to weigh on consumption and investment. The pandemic has also caused per capita incomes to fall in more than 90 percent of EMDEs, tipping millions back into poverty. For more than a quarter of EMDEs, the pandemic is expected to erase at least 10 years of per capita income gains—and, in about two-thirds of EMDEs, per capita incomes are projected to be lower in 2022 than they were in 2019. The pandemic has impeded future prospects for poverty reduction by adversely affecting longer-term productivity growth—the deterioration in confidence has dampened investment, and the loss in learning-adjusted school years and prolonged spells of unemployment have eroded earlier gains in human capital.

(Source: <https://www.worldbank.org/en/publication/global-economic-prospects>)

#### Indian Economy Overview

##### Introduction

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the

pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to 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 to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- 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 ₹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 ₹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 ₹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 ₹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 ₹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 ₹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 ₹80,000 crore (US\$ 10.01 billion) at the groundbreaking ceremony of the UP Investors Summit in Lucknow.



- The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, 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 ₹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 ₹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 ₹30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹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 ₹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 ₹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 ₹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 ₹18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹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 ₹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 ₹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 ~ ₹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 ₹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 ₹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.

**Note:** Conversion rate used for December 2020 is ₹1 = US\$ 0.014

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

## Gems And Jewellery Industry In India

### Introduction

As of February 2021, India's gold and diamond trade contributed ~7.5% to India's Gross Domestic Product (GDP) and 14% to India's total merchandise exports. The gems and jewellery sector is likely to employ ~8.23 million persons by 2022, from ~5 million in 2020. Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion.

The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, this will allow the Indian Gems and Jewellery industry to further boost exports. CEPA will provide the industry duty-free access to the UAE market. India's Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA.

### Market size

India's gems and jewellery market size was at US\$ 78.50 billion in FY21. Growth in exports is mainly due to revived import demand in the export market of the US and fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. In October 2022, India's gems and jewellery exports was at US\$ 1.48 billion. The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020.

### Investments/Developments

Cumulative FDI inflows in diamond and gold ornaments stood at US\$ 1,213.06 million between April 2000-June 2022, according to the Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key developments in this industry are listed below:

- In September 2021, Malabar Group invested ₹750 crore (US\$ 100 million) in a gold refinery and jewellery unit in Hyderabad.
- In May 2021, GJEPC and Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters and importers from both countries.
- The GJEPC will organise its first International Gems and Jewellery Show (IGJS) outside the country, in Dubai, from August 14-16, 2021. It will also hold a five-day physical exhibition—India International Jewellery show (IIJS-2021)—in

Bengaluru from September 15-19, 2021, in a first such event outside Mumbai. GJPEC sources said that >250 buyers have registered and >95 stalls have been booked for Dubai IGJS 2021. There will be 150 booths having products such as plain gold, gold-studded jewellery, diamond-studded jewellery, silver jewellery, loose diamonds and gemstones.

- In June 2021, Tanishq launched antimicrobial jewellery in certain markets as a pilot project. Currently, the range is available in stores across Chennai and Lucknow, with further launches planned in Kolkata and Hyderabad followed by other key markets. Antimicrobial jewellery is being offered in categories such as chains and rings, which feature special-coated layers that self-disinfect the surface and impede any further microbial growth.
- In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance and adoption of gold jewellery amongst Indian consumers, especially in millennials and Gen Z.
- In April 2021, Malabar Gold & Diamonds announced to invest ₹1,600 crore (US\$ 214 million) in FY22 to launch 56 stores, of which 40 would be in India and 16 across global markets. In India, stores will be opened in Tamil Nadu, Telangana, Andhra Pradesh, Karnataka, Maharashtra, Delhi, West Bengal, Uttar Pradesh, Odisha and Kerala. In July 2021, the company announced hiring of >5,000 staff, across its retail operations, brand headquarters and regional offices in the country.
- In March 2021, Joyalukkas collaborated with IBM Global Business Services to design, develop and deploy a new cloud-native e-commerce platform across 11 countries including India, the UAE, the US, the UK, Singapore, Malaysia, Bahrain, Qatar, Saudi Arabia, Kuwait and Oman.
- In February 2021, Reliance expanded its e-commerce arm, JioMart, to jewellery with silver coins of 5gm and 10 gm, and gold coins of 1gm, 5gm and 10gm.
- Reliance's in-house jewellery brand, Reliance Jewels, which has ~93 flagship showrooms and 110 shop-in-shops in 105 cities in the country, will fulfil the orders for the new segment.

### **Government Initiatives**

- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost exports of gems and jewellery.
- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce and Industry said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.
- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e., till January 2021.
- In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.

- In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth ₹10 lakh (US\$ 13.61 Thousands) or more cumulatively with a single customer.

### **Road Ahead**

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions on gold import is likely to provide a fillip to the industry.

The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is also expected to drive volume growth for jewellers over the short to medium term. India has 450 organised jewellery manufacturers, importers & exporters and is the hub for jewellery manufacturing. These players have benefited greatly due to the increasing liberal policies by the government. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry. India's gems and jewellery industry is expected to reach US\$ 70 billion by 2025.

**Note:** Conversion rate used in April 2020, ₹1 = US\$ 0.013123

(Source: <https://www.ibef.org/industry/gems-jewellery-india.aspx>)

## OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled '*Risk Factors*', '*Restated Financial Information*' beginning on pages 27 and 130 respectively, of this Draft Prospectus.

Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to 'we', 'us', 'our' and 'our Company' are to Shooraa Designs Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

### Brief Overview

Our Company was incorporated in the year 2021 and was engaged in the business of 'Textiles & Apparel' Industry and 'Apparel & Accessories'. However, thereafter in the following year, the object of the Company was amended to manufacturing and trading of diamonds and jewellerys.

Since, the year of 2022, our Company is engaged in the business of procuring rough diamonds through suppliers, internally planning and mapping rough diamonds, and is out-sourcing the process of cleaving, laser cutting, and polishing from local job-workers in the domestic market of Surat, and is selling of the said polished cut-diamonds to the wholesalers or retailers with business concentration pre-dominantly in Surat, Gujarat, and the newly-explored market of Mumbai, Maharashtra. A substantial majority of our cut and polished diamonds are sold to diamond wholesalers and the jewellery manufacturers in the domestic market of Surat and Mumbai. The revenue from sale of the diamonds is generated through offline market, and through our online platform accessible at <https://www.shooradesigns.com/shop/>. The online market facilitates and provides the customers with an option to browse variety of diamonds through its catalogue. This catalogue also provides the customers with the price data for each of the products, which thus enables the targeted investor to make a well-informed decisions.

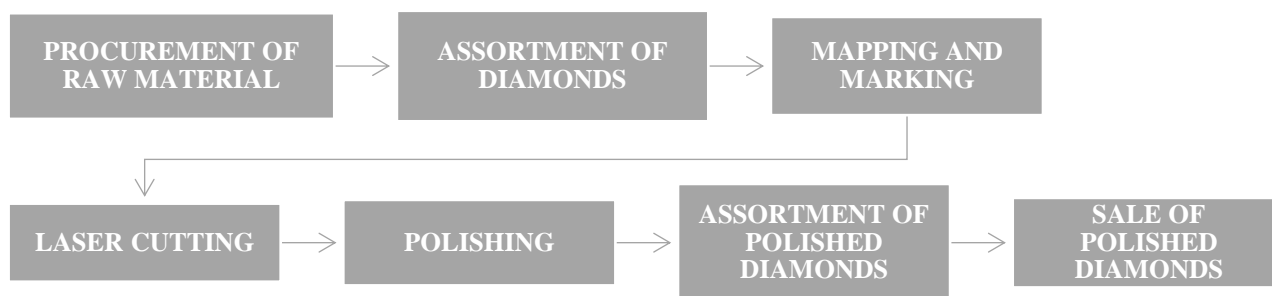
The revenue from operations accounted for 10,558.97 Thousands for the nine-months period ended December 31, 2022, and 1,625.78 Thousands for the Financial Year ended March 31, 2022. Following are the key financial indicators of our performance for the past 2 Financial Years:

Particulars	Nine-months period ended December 31, 2022	Financial Year ended March 31	
		2022	2021
		(₹ in '000)	
Revenue from Operations	10,558.97	1,625.78	-
EBITDA	2,366.00	511.00	(50.00)
EBITDA Margin	36.10%	37.42%	--
PAT	1,750.97	391.39	(50.00)
PAT Margin	16.58%	24.07%	--
RoE	20.71%	159.30%	-200.00%
RoCE	14.48%	116.30%	-100.00%

### Location

<b>Registered office / Factory Location</b>	Diamond Apts. Co-Op HSG. Society Lt H No. 7/3388/A, 6 <sup>th</sup> Floor C/1, 601 Haththupura Char Rasta, Surat – 395003, Gujarat, India
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## BUSINESS PROCESS



### 1. Procurement of Rough Diamonds

The Company procures rough diamonds in batches are procured from the local vendors of Surat, Gujarat, are thereafter stored at our registered office.

### 2. Assortment of Rough Diamonds

The Rough diamonds are thereafter assorted and sorted for checking of its genuinity for physical defects and damages

### 3. Quality check

Post-receipt of the raw diamonds, the skilled artisans undertake the job of:

- Checking the genuinity and product quality
- Checking for physical defects and damages
- Intimating the client about the receipt of the goods along with the condition of the goods.

If our Company employees feel that there is any discrepancy in the quantity or quality against the bill, then the said stock is returned back to the supplier, along-with the justification of the same. Post-procurement and post-satisfaction of the quality checks, our skilled craftsman undertakes the job of processing, cutting, and polishing the said diamonds.

### 4. Security

To minimize theft, we have stringent controls and mechanisms to monitor the movement of the products from initial procurement of the raw material to the final delivery to our customers. Our staff ensures strict maintenance of the stocks at the daily opening and closing and also while in transit. Our Company has strong rooms/ safes for the safe storage of the raw diamonds. We have hired security guards for our Company who are on duty at all times. We have monitoring systems to ensure the security personnel are on duty at all times.

### 5. Sorting and Processing

- Rough Diamonds are sorted based on the 4C i.e., Cut, Colour, Clarity, and Carat

### 6. Polishing

- The job-worker are handed-over with the rough diamonds to be processed in order to make polished diamonds based on 4C. Polishing is the most responsible part of the process, and hence, we constantly check the diamond until it shines perfectly. The time-frame to complete the polishing work varies from 15 days to 02 months.

### 7. Sales and Track Order

Once the diamonds are polished, the sales team checks the product along with its bill, size, and customer specifications. If there is any defect in the polishing by the job-worker, the same will be returned to the job worker for necessary

alterations. Once the product is confirmed by the customer, the same will be billed to customer and the customer can receive the product after clearing the payment.

We not only sell our diamonds but also jewellerys to a varied customer base spread across through our online platform accessible at [www.shooradesigns.com](http://www.shooradesigns.com). Once the diamond is polished, we sell the same to our targeted customers. Based on the quality of the product and through negotiations, the rates are finalised. We have arrangements with third party logistics companies to deliver our products and jewellerys.

- Products are sold directly to the customers at their premises, and a delivery confirmation is obtained from the customer.

We have also implemented a tracking system through which the targeted customers have the option to track their order by entering the Order-ID in the box. This tracking system not only gives the customer a real-time update, but also helps our Company track and monitor our in-transit products, which ultimately improves our efficiency and builds customer trust.

## **8. Maintaining stock register**

The inward and outward of the products are being taped by the Company for ensuring an efficient inventory management system.

### **OUR COMPETITIVE STRENGTHS**

#### **1. Existing distribution and sales networks**

We believe that India is the largest hub for diamond processing in the world and Surat is the one of the key places of our Diamond industry. Therefore, most of the rough stones polished in Surat. Further majority of active Diamond and Jewellery exporters are based in Mumbai and Surat, which provides a very good platform for trading business. We are established player in domestic market of Gujarat and we are looking forward for expansion of our geographical reach.

#### **2. Optimum Polishing**

Our Company believes in providing polished products to our customers. The defective pieces found are returned to the customers. This ensures that no defective diamond reaches the customer and ensures reduce rejection. We believe that this helps us to create goodwill from our customers.

#### **3. Repetitive customers**

We offer polished diamonds to our customers. We have established relationships with customers and suppliers. The trust and goodwill earned by us over the years, has helped our company in retaining our key customers who assist us in building our client portfolio.

#### **4. Experience of Management.**

Our promoter and director Mr. Satish K Kansodariya has been in the industry for more than a decade and has experience in Finance and Jewelry Sector.

Further, our promoter and director Mr. Rajeshbhai Labhubhai Mer is well experienced in the field of Trading of Diamonds through which he has developed and contributed trading business of diamond We believe that his experience and understanding of our industry will enable us to continue to take advantage of both current and future market opportunities.

### **OUR STRATEGIES**

#### **1. Work with our existing suppliers.**

Instead of finding new suppliers, we support our existing suppliers to boost our sourcing power, to effectively negotiate for bulk pricing which helps us to sustain the competition in th Industry.



2. ***Increase our business development appetite by augmenting our available working capital resources.***

We operate in a working capital-intensive industry. The working capital financing ability is a key competitive trait in the polished and cut diamond business because of the commodity nature of the product. We need working capital for raw material as well as finished goods stock and also for supporting our clients with reasonable lines of credit. Hence, we believe that in order to continue our strong revenue growth we will need to ensure that we are well funded from a working capital perspective. Currently through this IPO we are exploring the same and is looking forward for various other scopes in future.

3. ***Increase geographical presence***

Our business is mainly located in Surat region. Going forward we plan to establish our presence in the other areas. Our emphasis is on expanding the scale of our operations as well as growing our geographical presence, which we believe will provide more opportunities to grow our business and revenues.

4. ***Improve our internal processes and systems***

Our promoter and director Mr. Rajeshbhai Labhubhai Mer is well experienced in the field of Trading of Diamonds. Our processes are highly promoter driven. We propose to improve our internal processes and systems in order to make the company less dependent on our promoter family.

5. ***Weaknesses and Threat***

Presently, the threat that may be imposed to our Company might be arising out of the highly working capital-intensive nature of our operations and the need to ensure quick asset turnover which is critical to maintain growth and profitability. Due to such high working capital nature of our operations, we have an adverse capital structure.

Our Group's limited track record in retail business may pose challenges in scaling up our retail business. In this regard, we may also face competition from organized and unorganised players.

For further details on our competitive strengths, weaknesses and threats, please refer to the chapter titled '**Risk Factors**', '**Our Business**' and '**Management's Discussion and Analysis Of Financial Condition And Results Of Operations**' on pages 27, 90 and 154 of this Draft Prospectus.

## **COLLABORATIONS/TIE UPS/ JOINT VENTURES**

Our Company does not have Collaboration/Tie Ups/ Joint Ventures as on the date of this Draft Prospectus.

## **MARKETING AND DISTRIBUTION STRATEGY**

We believe that brand value is an increasingly important factor in customers' buying decisions in the jewellery sector in India. Accordingly, we focus on brand-building by emphasizing the quality of our product design and the exclusivity of our products in all our marketing initiatives.

Our Company's products are sold principally by our own internal sales organizations. Marketing is an important function in our business. We avail both direct and indirect channels of sales for selling and marketing our products. Apart from this, our promoters are mainly involved in marketing.

We intend to focus on following marketing strategies:


1. Focus on existing markets;
2. Continuously holding markets Trends; and
3. Supply of Products on timely basis.

## **COMPETITION**

We face competition from both the organized and unorganized sectors of the jewellery business. Our competition depends on the products being offered by various companies in the organized segment besides several other factors like quality, price, after sale service and timely delivery. Competition emerges not only from organized sector but also from the unorganized sector.

## INTELLECTUAL PROPERTY

### Trademark

Sr No.	Brand Name/Logo Trademark	Class	Application No.	Nature of the Trademark	Application Date	Status
1.		14	*5542302	Device	July 23, 2022	Marked for Exam

*\*by Mr. Satish K Kansodariya, promoter of our Company*

## HUMAN RESOURCE

As on the date of Draft Prospectus, the number of Employees of the company are as follows:

Sr. No.	Particulars	No. of Employees
1	Executive Director	3
2	Company Secretary	1
3	Chief Financial Officer	1
4	Office Assistant	2
5	Accountant	1
6	Office Manager	1
<b>Total</b>		<b>9</b>

## IMMOVABLE PROPERTIES OF OUR COMPANY

Sl. No.	Details Property	Licensor/Vendor	Owned/Co-Owned/ Leased
1.	Diamond Apts. Co-Op HSG. Society Lt H No. 7/3388/A 6th Floor C/1, 601 Haththupura Char Rasta, Surat – 395003, Gujarat	Rajeshbhai Labhubhai Mer	Leased

*\* Registered in the name of promoter and not in name of our company.*

*# In the name of the Promoter and not registered*

## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

The Company hasn't made any collaboration with any other entity.

## INFRASTRUCTURE FACILITIES (WATER, ELECTRICITY)

### Infrastructure Facilities

Our registered office is located at Surat, Gujarat and is well equipped with computer systems, internet connectivity, other communication equipment, and other facilities, which are required for our business operations to function smoothly.

### Power

Our company does not require much power except the normal requirement in the office premise for lighting, systems etc. Adequate power is available.

### Water

Water is required only for drinking and sanitary purposes and adequate water sources are available. The requirements are fully met at the existing premises.

## KEY INDUSTRY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an indicative summary of certain key industry laws, regulations and policies as notified by the Government of India or State Governments and other regulatory bodies, which are applicable to our Company. The information set below has been obtained from various legislations including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations set 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.

Further, 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. Our Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled '*Government and Other Approvals*' beginning on page 165 of this Draft Prospectus.

Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:

### INDUSTRY SPECIFIC LAWS

#### *Gem and Jewellery Export Promotion Council*

The GoI has designated the Gem and Jewellery Export Promotion Council ('GJEPC') as the importing and exporting authority in India in keeping with its international obligations under Section IV(b) of the Kimberley Process Certification Scheme ('KPCS'). The GJEPC has been notified as the nodal agency for trade in rough diamonds. The KPCS is a joint government, international diamond and civil society initiative to stem the flow of conflict diamonds, which are rough diamonds used by rebel movements to finance wars against legitimate governments. The KPCS comprises participating governments that represent approximately 99.8% of the world trade in rough diamonds. The KPCS has been implemented in India from January 1, 2003 by the GoI through communication No. 12/13/2000-EP (GJ) dated November 13, 2002. However, under the Special Economic Zones Rules, 2006, the Development Commissioners have been delegated powers to issue Kimberley Process Certificates for units situated in the respective Special Economic Zone (the 'SEZ').

#### *Gems and Jewellery Trade Council of India*

The Gems and Jewellery Trade Council of India ('GJITC') was established with the aim of boosting the gems and jewellery trade of India. It is a council formed to enhance & boot the jewellery trade of India by resolving various issue of trade by escalating various to relevant high authorities. It also indulges itself in disseminating latest information to its jewellery-members through a monthly newsletter, various educative & trade motivational events such as seminars, workshops, exhibitions, festivals etc.

#### *Bureau of Indian Standards Act, 2016 (the 'BIS Act')*

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS's ambit and allows Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard mark.

Government of India has identified BIS a sole a sole agency in India to operates this scheme. BIS hallmarking scheme is voluntary in nature and is operating under BIS Act, Rules and Regulations. It operates on the basis of trust and thus it is desirable that aspect of quality control is built in the system responsible for managing quality. The BIS hallmarking scheme has been aligned with international criteria on hallmarking (Vienna Convention 1972). As per the scheme, license is granted to the jewellery hallmarked from any of BIS recognized assaying and hallmarking centre. The recognition to an assaying and Hallmarking centre is given against BIS criteria Doc: HMS/RAHC/GOI which is in line with International criteria on Marketing and control of precious metals.

### ***BIS Scheme for hallmarking of Gold and Silver Jewellery***

The BIS hallmark is a hallmarking system for gold as well as silver jewellery sold in India certifying the purity of the metal. It certifies that the piece of jewellery conforms to a set of standards laid by the Bureau of Indian Standards, the national standards organization of India. India is the second biggest market for gold and its jewellery. The BIS system of hallmarking of gold jewellery began in April 2000. The standard specifications governing this system are IS 1417 (Grades of Gold and Gold Alloys, Jewellery/Artefacts), IS 1418 (Assaying of Gold in Gold Bullion, Gold alloys and Gold Jewellery/Artefacts), IS 2790 (Guidelines for Manufacture of 23, 22, 21, 20, 19, 18, 17, 16, 14 and 9 carat Gold Alloys), IS 3095 (Gold solders for use in manufacture of jewellery). BIS introduced hallmarking for silver jewellery in December 2005 under IS 2112, the standard specification for 'Hallmarking of Silver Jewellery/Artefacts'.

### ***Legal Metrology Act, 2009 (the 'Legal Metrology Act') and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act seeks to establish and enforce standard 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 Legal Metrology Act and rules framed thereunder regulate inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the Legal Metrology Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the Legal Metrology Act. Any non-compliance or violation under the Legal Metrology Act may result in inter alia a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers. Further, the Legal Metrology (Packaged Commodities) Amendment Rules, 2017 lay down specific provisions for e-commerce transactions and online sale of packaged commodities.

### ***The Micro, Small and Medium Enterprises Development Act, 2006 (the 'MSME Act')***

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 ('MSME Act'). In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### ***Gujarat Industrial Policy 2020***

Gujarat is the most industrialized state in India and has been recognized nationally and globally for offering conducive business ecosystem that is supported by ease of doing business and state-of-the-art infrastructure. The state has witnessed unprecedented growth in terms of investments, both FDI and domestic. With a vision to give additional thrust to 'Atmanirbhar Bharat', the New Gujarat Industrial Policy 2020 is being introduced with added focus on key thrust sectors, strengthening integrated value chains, innovation and research. Besides this, the Gujarat Industrial Policy has provisions to promote industries focusing to adopt sustainable & cleaner manufacturing and innovative Industry 4.0 practices. It also lays objective to encourage entrepreneurship and strengthen MSMEs and facilitate cluster development.

### ***Shops and 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 industries have to 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.

### ***The Gujarat Fire Prevention and Life Safety Measures Act, 2013 Act No. 11 of 2013 & Amendment 2021***

The Fire Act requires building owners and occupants to install firefighting measures and ensure proper evacuation measures in the case of fire emergency. The Act contains comprehensive guidelines towards securing the fire safety of old as well as new buildings in the State of Gujarat. The Act extends to the whole of the State of Gujarat and it applies to all building owners and occupants. Even licensees and tenants are classified as 'occupiers'. Presently fire prevention and firefighting services are organized by the concerned States and Union Territories. It may be added here that the fire brigades in India remain heterogeneous in character and majority of them continue to remain ill-equipped and differently organized. The National Building Code (NBC), which is the basic model code in India on matters relating to building construction and fire safety. Fire prevention and fire protection is a state subject. The primary responsibility for fire prevention and fire protection lies primarily with State Governments. The rules for fire prevention and fire protection are laid in the form of State Regulations or Municipal By-Laws.

## **CORPORATE LAWS**

### ***The Companies Act, 2013***

The Companies Act, 2013 came into existence by repealing the Companies Act, 1956 in a phased manner. It received the assent of the President on August 29, 2013. The Ministry of Corporate Affairs has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act, 2013 deals with matters related to Incorporation of Companies, Prospectus and allotment of securities, share capital and Debentures, Acceptance of Deposits by Companies, Management and Administration, Appointment and Qualifications of Directors and other matters incidental thereto which are necessary for better Corporate Governance, bringing in more transparency in relation to Compliances and protection of shareholders & creditors.

The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER**

### ***The Code on Wages, 2019***

The new Code replaces the following four laws: (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. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc., while the State Government is empowered to take such decisions in relation to other employments.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Public Liability Insurance Act, 1991 ('PLI Act')
- Industrial (Development and Regulation) Act, 1951 ('IDRA')
- Industrial Disputes Act, 1947 ('ID Act')
- Payment of Bonus Act, 1965 ('POB Act')
- Payment of Gratuity Act, 1972.
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Equal Remuneration Act, 1976 ('ER Act')
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ('WCA')
- Maternity Benefit Act, 1961 ('Maternity Act')
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 ('EC Act') and the rules framed thereunder
- Minimum Wages Act, 1948 ('MWA') and the rules framed thereunder

### **TAX RELATED LAWS**

#### ***The Income Tax Act, 1961***

The Income Tax Act deals with computation of tax liability of individuals, corporates, partnership firms and others. The Income-tax Act, 1961 ('IT Act') is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

#### ***The Goods and Service Tax (GST)***

GST is an Indirect Tax which has replaced many Indirect Taxes in India. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017. The Act came into effect on 1st July 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. Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST has mainly removed the Cascading effect on the sale of goods and services. 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.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a

separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

***The Gujarat Panchayat Municipalities, Municipal Corporations and State Tax on Profession, Trades, Callings and Employments Act, 1976, (the 'Professional Tax' Act)***

This act is also called as the Gujarat Professions Tax Act. Profession Tax means the tax on Professions, Trades, Callings and Employments levied under this Act. Profession Tax is a Tax may be imposed on Professions and Employments even though the employee is already paying an income tax. It is a tax on Professions, Trades, Callings and Employments for raising the resources needed for implementing the Employment Guarantee Scheme of the Gujarat State Govt. and to provide for establishment of the Employment Guarantee Fund.

## **INTELLECTUAL PROPERTY RELATED LAWS**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

***Indian Patents Act, 1970***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

***The Trademark Act, 1999***

The Trademark Act, 1999 was developed keeping in view the need for simplification of and harmonization of Trademarks system, registration and statutory protection for the purpose of prevention of the use of fraudulent marks in India. A trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. An application for trademark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it. Once granted, trademark registration is valid for ten years unless cancelled, which may be renewed for similar periods on payment of a prescribed renewal fee. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

***Designs Act, 2000 ('Designs Act')***

Industrial designs have been accorded protection under the Designs Act. A 'Design' means only the features of shape, configuration, pattern, ornament or composition of lines or color or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, Trademarks and Copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

## **GENERAL LEGISLATIONS**

***Consumer Protection Act, 2019 ('CPA') and rules framed thereunder***

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of 'consumer' has been expanded under the CPA

to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing. In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 ('E-Commerce Rules') which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

### ***The Arbitration and Conciliation Act, 2015 ('Arbitration Act')***

The Arbitration Act was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process.

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

The Indian Contract Act, 1872 ('Contract Act') codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### ***The Competition Act, 2002***

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates 'combinations' in India. The Competition Act also established the Competition Commission of India (the 'CCI') as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### ***Transfer of Property Act, 1882 ('TP Act')***

The Transfer of Property Act, 1882 (the 'TP Act') establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

### ***The Information Technology Act, 2000***

The Information Technology Act, 2000 (the IT Act) is an Act of the Indian Parliament notified on October 17, 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber-crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, and the unauthorized disclosure of confidential Information and computer fraud.

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

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.



### ***The Registration Act, 1908***

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

### ***Negotiable Instruments Act, 1881***

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheque without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act creates statutory offence in the matter of dishonour of cheque on the ground of insufficiency of funds in the account maintained by a person with the banker.

### ***Limitation Act, 1963***

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, 'period of limitation' means the period of limitation prescribed for any suit, appeal or application by the Schedule, and 'prescribed period' means the period of limitation computed in accordance with the provisions of this Act.

## **FOREIGN REGULATIONS**

### ***Foreign Exchange Management Act, 1999***

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 ('FEMA') was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

### ***FEMA Regulations***

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ('FEMA Regulations') to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

### ***Foreign Trade (Development and Regulation) Act, 1992 ('FTDRA 1992')***

The FTDRA 1992 seeks to develop and regulate foreign trade by facilitating imports into and augmenting exports from India. The FTDRA 1992 prohibits a person or company from making any exports or imports unless such a person or company has been granted an importer-exporter code number.

### ***Duty Drawback Scheme***

The duty drawback scheme is an option available to exporters. Under this scheme, exporter of goods is allowed to take back refund of money to compensate him for excise duty paid on the inputs used in the products exported by him. It

neutralizes the duty impact in the goods exported. Relief of customs and central excise duties suffered on the inputs used in the manufacture of export product is allowed to exporters. The admissible duty drawback amount is paid to exporters by depositing it into their nominated bank account. Section 75 of the Customs Act, 1962 and Section 37 of the Central Excise Act, 1944, empower the Central Government to grant such duty drawback. Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 (the 'Drawback Rules') have been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities processing export documentation. Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme.

The all-industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture. Brand rate of duty drawback is granted in terms of rules 6 and 7 of the Drawback Rules in cases where the export product does not have any all-industry rate or duty drawback rate, or where the all-industry rate duty drawback rate notified is considered by the exporter insufficient to compensate for the customs or central excise duties suffered on inputs used in the manufacture of export products. For goods having an all-industry rate, the brand rate facility to particular exporters is available only if it is established that the compensation by all industry rate is less than 80% of the actual duties suffered in the manufacture of the export goods.

### **Other Regulations**

In addition to the above, the Company is required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### Brief History of our Company

Our Company was originally incorporated on March 05, 2021, as a private limited Company under the name and style of Shoora Designs Private Limited under the provisions of Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on January 02, 2023, our Company was converted into a Public Limited Company and the name of the Company was changed to 'Shoora Designs Limited' and a fresh Certificate of Incorporation dated January 04, 2023 was issued by Registrar of Companies, Ahmedabad. The new CIN is U74110GJ2021PLC120894.

Mr. Satish K Kansodariya and Mr. Vipulbhai Karmshibhai Anghan were the initial subscribers to the Memorandum of Association of our Company. Mrs. Sejalben Satish Kansodariya, Mr. Rajeshbhai Labhubhai Mer, and Mr. Satish K Kansodariya are the current Promoters of our Company.

For further details of our promoters please refer the chapter titled '*Our Promoters and Promoter group*' beginning on page 121 of this Prospectus.

### Changes In Our Registered Office

Registered Office of the Company is presently situated at Diamond Apts. Co-op Hsg. Society LT H No. 7/3388/A 6th floor C/1, 601 Haththupura, Char rasta Surat - 395003, Gujarat, India.

The details of change in Registered Office of our Company are as following:

From	To	With effect from	Reason for Change
Sy. No-68/1, Fp-68, Plot - 4, Ground Floor, Jigar Park Society, Ved Road Surat - 395004, Gujarat, India	Diamond Apts. Co-op Hsg. Society LT H No. 7/3388/A 6th floor C/1, 601 Haththupura, Char rasta Surat - 395003, Gujarat, India	December 09, 2022	Administrative and Operational convenience

### Main Objects of Our Company

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

- To carry on in India or elsewhere the business of goldsmiths, silver smiths, jewelers, gem and diamond merchants and of producing, acquiring and trading, importing, exporting, buying, selling in all kind of metals, bullion, gold, silver, platinum, diamonds, precious stones and pearls and other complimentary item including watches, sunglasses etc;*
- To carry on in India or elsewhere the business to manufacture, produce, process, prepare, commercialize, cut, polish, set, design, display, exchange, examine, finish, grind, grade, assort, import, export, buy, sell, resale, demonstrate, market and to act as agent, broker, indenter, liasioner, adattas, representative, C & F agents, export house, valuer, sales promoter, supplier, provider, merchants, stockiest, distributor, wholesaler, retailer or otherwise to deal in all shapes, sizes, varieties, description, specifications, applications & designs of rough, raw cut, uncut, polished or processed, natural & man made precious semiprecious & natural stones such as diamonds, ruby, pearls, gemstones, blue sapphires, cat's eye stone, coral, topaz, opal, zircon, tourmaline, jade, spinel ruby, aquamarine, turquoise, peidot, agate, garnet, corundum, amethyst, malachite, citrine, alexandrite, smoky quartz, lapis lazuli, rock crystal, onyx, moon stone, jasper, blood stone, gold stone, bismuth, jet, diopside, tiger eye, sunstone, spinal, Jews stone, load stoner, sardonyx, touch stone, amber and their ornaments, jewelries, articles, goods, or things, made in the combination of gold, silver, platinum, or other metals, and alloys thereof and for the purpose to act as goldsmith, silversmith, jewelers, gem merchants, electroplaters, polishers, purifiers, and to do all incidental acts and things necessary for the attainment of above objects;*
- To carry on the business of designing, engineering, manufacturing, producing, assembling, altering, repairing, buying, selling, trading, acquiring, representing manufacturers, storing, packing, transporting, forwarding, distributing, importing, exporting and disposing of all types of ornaments, jewels, diamonds, gold, silver, platinum, metal alloys, pearls, precious and semi- precious stones of all kinds and other complimentary consumer items and accessories including watches, umbrella, sunglasses etc. and to carry on the business and activities of manufacturing, cleaving,*

*sawing, cutting, polishing, processing, assorting and of buying, selling, importing, exporting, supplying, distributing, disposing and dealing as whole-sellers for self and as agents and retailers in cut and uncut diamonds, industrial diamonds, Board cut and uncut precious and semi-precious stones and pearls and to act as recognized export house and Trading house;*

4. *To establish factories to manufacture cut, cleave, polish set or otherwise prepare for the market of such rough diamonds, industrial diamonds precious and to act as agent, broker, traders, liasioner, representative, C & F agents, export house, valuer, sales promoter, supplier, provider, merchants, stockiest, distributor, wholesaler, retailer for all kind of diamonds, precious and semi- precious stones and metals, bullion gold, silver, platinum, pearls, ornaments, jewelry, silver utensils and to carry on the business of on line shopping, e-retail trading, net marketing, multi-level marketing of all types of ornaments, jewels, diamonds, gold, silver, platinum, metal alloys, pearls, precious and semi-precious stones of all kinds and other complimentary consumer items like watches, sunglasses etc. and other consumer goods, internet advertising and marketing, creating virtual malls, stores, shops, creating shopping catalogues, providing secured payment processing, net commerce solutions for business to business and business to consumers, online trading in and outside India but does not include banking and money circulating business;*
5. *To carry on the business in India or elsewhere as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest, preservers, factors, consignors, collaborators, franchisers, concessionaire, consultants, advisors, manufacturer's representative, job worker, assembler, repairers, facilitators, hirer, leaseholder and otherwise deal in all kinds, classes, size, nature and description of building materials, real estate construction materials, industrial commercial, consumer capital goods, item, things, articles, commodities, merchandise, products and allied activities.*
6. *To acquire and takeover the running business of sole proprietorship concern namely M/s Rajeshbhai Labhubhai Mer, having its office at Office No. 10, Basement, Shraddhadeep Building Opp. New Patidar Bhavan, Mahidharpura, Surat, Gujarat 395003 along with the assets, pending contracts, business rights and service personnel, if any, excluding immovable assets, vehicles, and all kind of liabilities of the said business in connection therewith or belonging thereto. The said proprietorship firm will cease to exist post such takeover by the Company.'*

**Amendments to the MoA of our company since incorporation:**

Since incorporation, the following amendments have been made to the MoA of our Company:

Date of Amendment / Shareholder's Resolution	Nature of Amendment	
March 14, 2022	Alteration of Main Object Clause	
	<b>From</b>	<b>To</b>
	<ol style="list-style-type: none"> <li>1. To carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers and as agents, stockists, distributors and suppliers of all kinds of readymade garments, coverings, coated fabrics, textiles, hosiery and silk or merchandise of every kind and description and other production goods;</li> <li>2. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, wholesale, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on ecommerce, retail as well as on wholesale basis in India or elsewhere;</li> <li>3. To carry on the business of online selling, worldwide, creating virtual malls, stores, shops, creating shopping catalogues, e-commerce solutions for business to business and business to consumers.</li> </ol>	<ol style="list-style-type: none"> <li>1. To carry on in India or elsewhere the business of goldsmiths, silver smiths, jewelers, gem and diamond merchants and of producing, acquiring and trading, importing, exporting, buying, selling in all kind of metals, bullion, gold, silver, platinum, diamonds, precious stones and pearls and other complimentary item including watches, sunglasses etc;</li> <li>2. To carry on in India or elsewhere the business to manufacture, produce, process, prepare, commercialize, cut, polish, set, design, display, exchange, examine, finish, grind, grade, assort, import, export, buy, sell, resale, demonstrate, market and to act as agent, broker, indenter, liasioner, adatias, representative, C &amp; F agents, export house, valuer, sales promoter, supplier, provider, merchants, stockiest, distributor, wholesaler, retailer or otherwise to deal in all shapes, sizes, varieties, description, specifications, applications &amp; designs of rough, raw cut, uncut, polished or processed, natural &amp; man made precious semiprecious &amp; natural stones such as diamonds, ruby, pearls, gemstones, blue sapphires, cat's eye stone, coral, topaz, opal, zircon, tourmaline, jade, spinel ruby, aquamarine, turquoise, peidot, agate, garnet, corundum, amethyst, malachite, citrine, alexandrite, smoky quartz, lapis lazuli, rock crystal, onyx, moon stone, jasper, blood stone, gold stone, bismuth, jet, diopside, tiger eye, sunstone, spinal, Jews stone, load stoner, sardonyx, touch stone, amber and their ornaments, jewelries, articles, goods, or things, made in the combination of gold, silver, platinum, or other metals, and alloys thereof and for the purpose to act as goldsmith, silversmith, jewelers, gem merchants, electroplaters, polishers, purifiers, and to do all incidental acts and things necessary for the attainment of above objects;</li> <li>3. To carry on the business of designing, engineering, manufacturing, producing, assembling, altering, repairing, buying, selling, trading, acquiring, representing</li> </ol>

		<p><i>manufacturers, storing, packing, transporting, forwarding, distributing, importing, exporting and disposing of all types of ornaments, jewels, diamonds, gold, silver, platinum, metal alloys, pearls, precious and semi-precious stones of all kinds and other complimentary consumer items and accessories including watches, umbrella, sunglasses etc. and to carry on the business and activities of manufacturing, cleaving, sawing, cutting, polishing, processing, assorting and of buying, selling, importing, exporting, supplying, distributing, disposing and dealing as whole-sellers for self and as agents and retailers in cut and uncut diamonds, industrial diamonds, Board cut and uncut precious and semi-precious stones and pearls and to act as recognized export house and Trading house;</i></p> <p>4. <i>To establish factories to manufacture cut, cleave, polish set or otherwise prepare for the market of such rough diamonds, industrial diamonds precious and to act as agent, broker, traders, liaisoner, representative, C &amp; F agents, export house, valuer, sales promoter, supplier, provider, merchants, stockiest, distributor, wholesaler, retailer for all kind of diamonds, precious and semi-precious stones and metals, bullion gold, silver, platinum, pearls, ornaments, jewelry, silver utensils and to carry on the business of on line shopping, e-retail trading, net marketing, multi-level marketing of all types of ornaments, jewels, diamonds, gold, silver, platinum, metal alloys, pearls, precious and semi-precious stones of all kinds and other complimentary consumer items like watches, sunglasses etc. and other consumer goods, internet advertising and marketing, creating virtual malls, stores, shops, creating shopping catalogues, providing secured payment processing, net commerce solutions for business to business and business to consumers, online trading in and outside India but does not include banking and money circulating business; and</i></p> <p>5. <i>To carry on the business in India or elsewhere as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest, preservers, factors, consignors, collaborators, franchisers, concessionaire, consultants, advisors,</i></p>
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		<i>manufacturer's representative, job worker, assembler, repairers, facilitators, hirer, leaseholder and otherwise deal in all kinds, classes, size, nature and description of building materials, real estate construction materials, industrial commercial, consumer capital goods, item, things, articles, commodities, merchandise, products and allied activities.'</i>
November 24, 2022	Increase of Authorized Share Capital	
	<b>From</b>	<b>To</b>
	₹5.00 Lakhs (Rupees Five Lakh only) divided into 50,000 (Fifty Thousand) Equity Shares	₹150.00 Lakhs (Rupees One Crore Fifty Lakh only) divided into 15,00,000 (Fifteen Lakh) Equity Shares
December 15, 2022	Addition to our Main Object: 6. <i>'To acquire and takeover the running business of sole proprietorship concern namely M/s Rajeshbhai Labhubhai Mer, having its office at Office No. 10, Basement, Shraddhadeep Building, Opp. New Patidar Bhavan, Mahidharpura, Surat, Gujarat - 395003 along with the assets, pending contracts, business rights and service personnel, if any, excluding immovable assets, vehicles and all kind of liabilities of the said business in connection therewith or belonging thereto. The said proprietorship firm will cease to exist post such takeover by the Company.'</i>	
January 02, 2023	Alteration in Name Clause pursuant to conversion : Change in the name clause from 'Shoora Designs Private Limited to 'Shoora Designs Limited'	

### Key events and milestones

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

2021	Incorporation of our Company as a Private Limited Company
	Recognition as a Startup by Department of Promotion of Industry and Internal Trade (Ministry of Commerce & Industry, Government of India)
2022	Change in the business of our Company from textiles to manufacturing and trading of natural/ lab grown diamonds and jewellery.
	Acquisition of proprietary business of Rajeshbhai Labhubhai Mer (Director of our Company)
	Allotment of Equity Shares on Preferential basis in lieu of consideration against the Takeover of M/s. Rajeshbhai Labhubhai Mer, Proprietorship Firm
	Conversion of unsecured loan of ₹95,04,000 (Rupees Ninety – Five Lakh Four Thousand) owed to our Promoter and Promoter Group to 1,98,000 (One Lakh Ninety-Eight Thousand) fully paid-up Equity shares of ₹48 each as per Valuation done by the Independent Registered Valuer.
2023	Conversion of our Company from a Private Limited to a Public Limited Company

### Details Of Business of our Company

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see '*Our Business*', '*Management Discussion and Analysis of Financial Conditions and results of operations*' and '*Basis of Issue Price*' on page 90, 154 and 75 of this Draft Prospectus respectively.

### Holding Company of Our Company

Our Company does not have any Holding Company as on the date of filing of this Draft Prospectus.

## **Subsidiary Companies of Our Company**

Our Company does not have any Subsidiaries as on the date of filing of this Draft Prospectus.

## **Other Declarations and Disclosures**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the *term* as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

## **Fund Raising through Equity or Debt**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled '*Capital Structure*' beginning on page number 58, of this Draft Prospectus.

## **Revaluation of Assets**

Our Company has not re-valued its assets since its incorporation.

## **Changes in the Activities of Our Company having a Material Effect**

Our Company was previously incorporated with a vision of exploring the textile industry. However, in the following year, the Company changed its course of business and ventured into the business of gems and jewellery industry. Other than as stated in this Draft Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Draft Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **Injunctions or Restraining Orders**

Our Company is not operating under any injunction or restraining order.

## **Defaults Or Rescheduling of Borrowings with Financial Institutions/Banks**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

## **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 Draft Prospectus, our employees are not unionized.

## **Time and Cost Overruns in Setting Up Projects**

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

## **Shareholders' Agreement**

There are no subsisting shareholders' agreements among our shareholders vis-à-vis our Company as on the date of this Draft Prospectus.

## **Material Agreements**

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered since incorporation till the date of this Draft Prospectus.



### **Strategic Partners**

Our Company does not have any strategic partner(s) as on the date of this Draft Prospectus.

### **Financial Partners**

As on the date of this Draft Prospectus, our Company does not have any financial partners.

### **Acquisition Of Business / Undertakings**

Other than the acquisition of M/s. Rajeshbhai Labhubhai Mer, Proprietorship Firm, there is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company since incorporation till the date of this Draft Prospectus.

### **Divestment Of Business / Undertaking By Company**

There has been no divestment by the Company of any business or undertaking since incorporation till the date of this Draft Prospectus.

### **Number Of Shareholders of Our Company**

Our Company has 7 (Seven) Equity Shareholders as on date of this Draft Prospectus.

For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled '*Capital Structure*' beginning on page 58 of this Draft Prospectus.

### **Details of Financial Performance**

For details in relation to our financial performance since incorporation till the date of this Draft Prospectus, including details of non-recurring items of income, refer to section titled '*Financial Information*' beginning on page 126 of this Draft Prospectus.

### **Collaboration Agreement**

As on the date of this Draft Prospectus our Company is not party to any collaboration agreement.

## OUR MANAGEMENT

As on the date of the Draft Prospectus, Our Board comprises of 5 (Five) Directors, comprising, Two Executive Directors, and three Non-Executive Directors, of which two are Independent Directors and one is a Woman Non-Executive Director. The following table sets forth details regarding the Board as on the date of this Draft Prospectus:

Name, Address, Designation, Occupation, Tenure, DIN and Date of birth	Nationality	Age	Directorships in other companies
<p><b>Mr. Satish K Kansodariya</b></p> <p><i>Address:</i> Plot No. 24, Laxmi Narayan Society Dabholi Char Rasta, Katargam, Surat- 395004, Gujarat, India</p> <p><i>Designation:</i> Chairman &amp; Managing Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Five (5) years, not liable to retire by rotation</p> <p><i>DIN:</i> 08444489</p> <p><i>Date of Birth:</i> June 26, 1986</p>	Indian	36	<p><u>Indian Companies</u></p> <p>1. Shoora India Foundation</p> <p><u>Foreign Companies</u></p> <p>Nil</p>
<p><b>Mr. Rajeshbhai Labhubhai Mer</b></p> <p><i>Address:</i> 225, Reliance Nagar, near Ambica Nagar, Sayan road, Amroli, Surat– 394107, Gujarat, India</p> <p><i>Designation:</i> Whole-Time Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Five (5) years, not liable to retire by rotation</p> <p><i>DIN:</i> 09684481</p> <p><i>Date of Birth:</i> October 10, 1991</p>	Indian	31	<p><u>Indian Companies</u></p> <p>1. Shoora India Foundation</p> <p><u>Foreign Companies</u></p> <p>Nil</p>
<p><b>Mrs. Sejalben Satish Kansodariya</b></p> <p><i>Address:</i> Plot 24, Laxmi Narayan Society, Katargam Dabholi Char Rasta, Surat-395004, Gujarat, India</p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>DIN:</i> 08060539</p> <p><i>Date of Birth:</i> July 27, 1988</p>	Indian	34	<p><u>Indian Companies</u></p> <p>1. Blue Unicorn LLP</p> <p><u>Foreign Companies</u></p> <p>Nil</p>

Name, Address, Designation, Occupation, Tenure, DIN and Date of birth	Nationality	Age	Directorships in other companies
<p><b>Mr. Jigneshbhai Valjibhai Mer</b></p> <p><i>Address:</i> 192, Reliance, Amroli, Chhapara Bhattha, Kosad, Surat, Gujarat – 394107, India</p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> 5 years</p> <p><i>DIN:</i> 09855075</p> <p><i>Date of Birth:</i> April 09, 1991</p>	Indian	31	<p><u>Indian Companies</u> Nil</p> <p><u>Foreign Companies</u> Nil</p>
<p><b>Mr. Bhankhodiya Dharmesh Ishvarbhai</b></p> <p><i>Address:</i> 492, Reliance Nagar, Near Shree Ram Chok, Sayan Road, Amroli, Surat, Gujarat – 394107, India</p> <p><i>Designation:</i> Non-Executive, Independent Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> 5 years</p> <p><i>DIN:</i> 09855076</p> <p><i>Date of Birth:</i> February 18, 1993</p>	Indian	30	<p><u>Indian Companies</u> Nil</p> <p><u>Foreign Companies</u> Nil</p>

Other than the spousal relationship between Mr. Satish K Kansodariya and Mrs. Sejalben Satish Kansodariya, none of our Directors are related to each other or to any of the KMPs as per the definition of ‘relative’ provided under the Companies Act, 2013.

#### Brief profiles of our Directors

**Mr. Satish K Kansodariya** is the Promoter, Chairman and Managing Director of our Company. He is undergraduate. He has been in the industry for more than a decade and has experience in Finance and Jewelry Sector. He is associated with our Company since inception.

**Mr. Rajeshbhai Labhubhai Mer** is the Promoter and Whole Time Director of our Company. He is undergraduate. He has more than 10 (Ten) years of experience in Gems and Jewelry Sector. He is associated with our Company since June 30, 2021. He handles day to day operations and is involved in handling Marketing activities of the Company. He is appointed as a Director on the Board of our Company on July 23, 2022.

**Mrs. Sejalben Satish Kansodariya** is the Promoter and Non-Executive Director of our Company. She is undergraduate. She has several years of experience in Gems and Jewelry Sector. She is associated with our Company since June 30, 2021 and appointed as a director from July 01, 2022.

**Mr. Jigneshbhai Valjibhai Mer** is the Independent Director of our Company. He is undergraduate. He is associated with our Company as Independent Director since January 06, 2023. He has several years of experience in Gems and Jewelry Sector.

**Mr. Bhankhodiya Dharmesh Ishvarbhai** is the Independent Director of our Company since January 06, 2023. He is undergraduate. He is also associated with other company working in same industry. He has several years of experience in Gems and Jewelry Sector.

## Arrangement or understanding with major shareholders, customers, suppliers or others

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

For further details, please see '*History and Certain Corporate Matters – Shareholders' agreement*' on page 108 and '*History and Certain Corporate Matters–Material agreements*' on page 108 of this Draft Prospectus.

## Terms of appointment of our Executive Directors

### A. Mr. Satish K Kansodariya

Our Managing Director was appointed pursuant to a resolution dated January 05, 2023 for a term of 5 (Five) years. The details of his remuneration are as set out below:

Remuneration	Details
Salary	₹12,00,000 per annum.
Perquisites	N.A
Remuneration paid in FY 2021-2022	N.A

With respect to the Managing Director, **Mr. Satish K Kansodariya**, there is no contingent or deferred payment accrued for Fiscal 2021-22.

### B. Mr. Rajeshbhai Labhubhai Mer

Our Whole-time Director was appointed pursuant to a resolution dated January 05, 2023, with our Company. The details of his remuneration are as set out below:

Remuneration	Details
Salary	₹12,00,000 per annum.
Perquisites	N.A
Remuneration paid in FY 2021-2022	N.A

With respect to our Whole time Director, **Mr. Rajeshbhai Labhubhai Mer**, there is no contingent or deferred payment accrued for Fiscal 2021-22.

## Terms of appointment of our Non-Executive Directors and Independent Directors

Our Non-Executive Directors and Independent Directors are eligible to receive sitting fees for attending each meeting of the Board or committees thereof. However, no sitting fees were paid for the Fiscal 2021-22.

## Changes in the Board of Directors in the last three years preceding the date of this Draft Prospectus

Name of the Director/KMP	Date of change	Reasons for change
Mr. Vipulbhai Karmshibhai Anghan	March 05, 2021	Appointment as First Director on incorporation
Mr. Satish K Kansodariya	March 05, 2021	Appointment as First Director on incorporation
Ms. Sejalben Satish Kansodariya	July 01, 2022	Appointment as Additional Executive Director
Mr. Rajeshbhai Labhubhai Mer	July 23, 2022	Appointment as Additional Executive Director
Mr. Jigneshbhai Valjibhai Mer	January 05, 2023	Appointment as Independent Director
Mr. Bhankhodiya Dharmesh Ishvarbhai	January 05, 2023	Appointment as Independent Director
Mr. Satish K Kansodariya	January 06, 2023	Appointment as Chairman and Managing Director
Mr. Rajeshbhai Labhubhai Mer	January 06, 2023	Appointment as Whole Time Director
Ms. Sejalben Satish Kansodariya	January 06, 2023	Change in designation to Non-Executive Director

*\*The aforementioned changes to our Board in the past 3 years do not include regularization of Directors.*

### Service contracts

No officer of our Company, including our Directors and the Key Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### Bonus or profit-sharing plan of our Directors

As on the date of this Draft Prospectus, our Company does not have a bonus or profit-sharing plan for our Directors.

### Shareholding of our Directors in our Company

The Articles of Association do not require the Directors to hold any qualification shares.

The shareholding of our Directors in our Company, as on the date of this Draft Prospectus is set forth below:

Sr. No	Name of Director	Number of Equity Shares held
1	Mr. Satish K Kansodariya	4,59,080
2	Ms. Sejalben Satish Kansodariya	2,66,875
3	Mr. Rajeshbhai Labhubhai Mer	2,33,330
	<b>Total</b>	<b>9,59,285</b>

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Prospectus.*

### Shareholding of our Directors in our Subsidiaries and associate companies

Our Company does not have any Subsidiaries as on the date of filing of this Draft Prospectus.

### Confirmations

None of our Directors have been identified as a willful defaulter (as defined in the SEBI ICDR Regulations).

None of our Directors is or was a director on the board of listed companies that have been / were delisted from any stock exchanges in India.

None of our Directors have been or are a director on the board of any listed company whose shares are / were suspended from trading on any of the stock exchanges, during his/her tenure for a period of five years prior to the date of filing of the Draft Prospectus.

None of our Directors have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

### Borrowing Powers of our Board

Our Articles of Association, subject to the provisions of clause (c) of Sub-Section (1) of Section 180 of the Companies Act, 2013, authorizes our Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company.

The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on January 18, 2023, in accordance with the provisions of clause (c) of Sub-Section (1) of Section 180 of the Companies Act, 2013, have authorized our Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed ₹10,000 Lakhs.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled '*Description of Equity Shares and Terms of Articles of Association*' beginning on page 219 of this Draft Prospectus.

## **INTERESTS OF OUR DIRECTORS**

Our Directors may be deemed interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration paid to them or services rendered as a Director of our Company and reimbursement of expenses payable to them. For further details, please refer to sub-sections '*Compensation and remuneration to Managing/ Whole-time and Executive Directors*' and '*Sitting Fees or benefit to Non-Executive Directors of our Company*' above.

Further, except as disclosed under sub-section '*Shareholding of Directors in our Company*' above, none of our Directors hold any Equity 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.

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.

Our Directors may also be deemed interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as disclosed in this Draft Prospectus, no sum has been paid or agreed to be paid to any of our Directors or to any firm or company in which Director is a partner or member, in cash or shares or otherwise by any person either to induce such Director to become, or to qualify as, a director, or otherwise for services rendered by such Director or by such firm or company in connection with the promotion or formation of our Company.

### **Interest in promotion of our Company**

Our Promoter Directors are interested in our Company to the extent that of promotion our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. As of the date of this Draft Prospectus, our Promoters hold an aggregate of 9,59,285 Equity Shares, aggregating to 89.18% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoter, please refer to paragraph titled '*Notes to Capital Structure*' under the section titled '*Capital Structure*' beginning on page 59 of this Draft Prospectus.

Further, except as stated in this section titled '*Our Management*' and the section titled '*Financial Statement - Annexure 26 – Restated Summary of Related Party Transactions*' beginning on page 110 and 151 of this Draft Prospectus respectively and to the extent to remuneration received/ to be received by our Directors, none of our Directors any interest in the promotion of our Company.

### **Interest in property, land, construction of building, supply of machinery**

Our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of filing this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in '*Restated Financial Statements*' on page 130 of this Draft Prospectus.

### **Interest as Guarantor**

None of our director hold any interest as Guarantor in the Company.

### **Interest as Director of our Company**

Mr. Satish K Kansodariya and Mr. Rajeshbhai Labhubhai Mer are interested in our Company as the Managing Director and Whole Time Executive Director. Mrs. Sejalben Satish Kansodariya is interested as Non-Executive Director.

Further, Mr. Jigneshbhai Valjibhai Mer and Mr. Bhankhodiya Dharmesh Ishvarbhai are the Non-Executive Independent

Director of our Company and may be deemed to be interested to the extent fees, if any, payable for attending meetings of the Board or a Committee thereof as well as to the extent of commission and reimbursement of expenses payable for services rendered to our Company in accordance with the provisions of the Companies Act, 2013, terms of the Articles of Association and her terms of appointment. For further details, see **‘Our Management’** beginning on page 110 of this Draft Prospectus.

**Arrangements or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management**

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 Draft Prospectus.

**Common directorships of the Directors in companies whose shares are/were suspended from trading on the stock exchange(s) for a period beginning from five (5) years prior to the date of this Draft Prospectus**

None of the Directors is/ are directors of any company whose shares were suspended from 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.

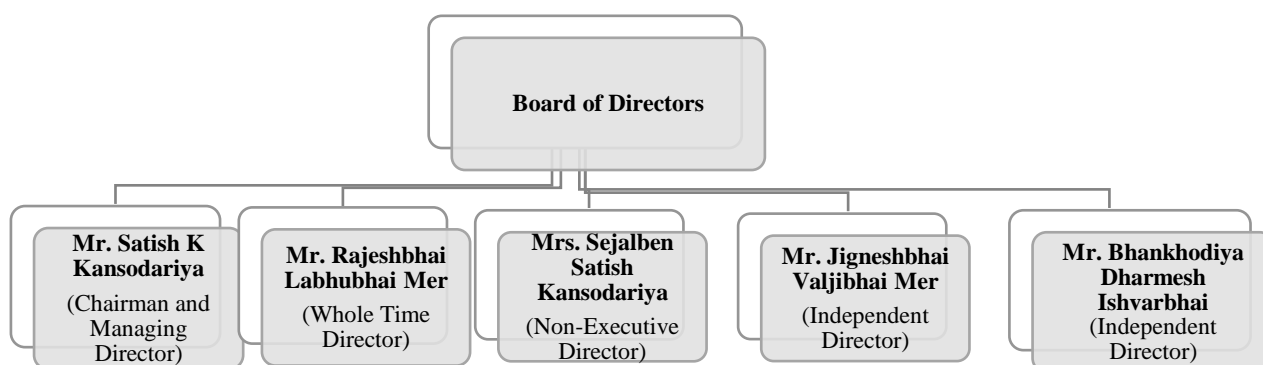
**Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India**

None of the Directors is/ are directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors is/ are 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.

**MANAGEMENT ORGANIZATIONAL STRUCTURE**

The following chart depicts our Management Organization Structure:



**Corporate Governance**

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable regulations, specifically the SEBI LODR Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, to the extent applicable as on the date of this Draft Prospectus, in respect of corporate governance particularly in relation to constitution of the Board and committees of our Board. The corporate governance framework is based on an effective Independent Board, separation of the Board’s supervisory role from the Executive management team and constitution of the Board committees, each as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI LODR Regulations. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company’s Executive management provides the Board of Directors detailed reports on its performance periodically.

## Composition of our Board

Currently, our Board has 5 (five) Directors, headed by our Chairman who is a Managing (Executive) Director. Incompliance with the requirements of the Companies Act and the SEBI Listing Regulations, we have 2 (two) Executive Directors, 3 (three) Non-Executive Directors out of which, 1 (one) is a Woman Director and 2 (two) are Independent Directors. Incompliance with the provisions of the Companies Act, 2013 and Articles of Association of our Company, at least two-third of our Directors, other than our Non-Executive Independent Directors and Executive Directors having key managerial positions, are liable to retire by rotation.

### 1. Committees of the Board in accordance with the SEBI Listing Regulations

#### A. Audit Committee

Sr. No	Name of the Director	Designation	Position in the Committee
1.	Mr. Jigneshbhai Valjibhai Mer	Non-Executive Independent Director	Chairman
2.	Mr. Bhankhodiya Dharmesh Ishvarbhai	Non-Executive Independent Director	Member
3.	Mr. Satish K Kansodariya	Managing Director	Member

The Audit Committee was constituted by a resolution of our Board dated January 16, 2023.

The terms of reference of the Audit Committee are in accordance with the section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

#### POWERS OF AUDIT COMMITTEE

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

#### FUNCTIONS OF AUDIT COMMITTEE

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;
8. monitoring the end use of funds raised through public offers and related matters.
9. any other responsibility as may be assigned by the board from time to time.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

#### *Quorum and Meetings*

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.



## B. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Mr. Bhankhodiya Dharmesh Ishvarbhai	Non-Executive Independent Director	Chairman
2.	Mr. Jigneshbhai Valjibhai Mer	Non-Executive Independent Director	Member
3.	Mrs. Sejalben Satish Kansodariya	Non-Executive Director	Member

The Nomination and Remuneration Committee was constituted by a resolution of our Board January 16, 2023. The scope and functions of the Nomination and Remuneration Committee are in accordance with section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI LODR Regulations.

### Terms of reference

The Nomination and Remuneration Committee be and here by entrusted with the following powers:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
5. Analysing, monitoring and review in various human resource and compensation matters;
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
7. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market related, usually consisting of a fixed and variable component and recommend the remuneration payable to the senior management personnel;
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
9. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
10. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
11. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
12. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
13. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
14. Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

### Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee shall meet as and when the need arises for review of Managerial remuneration. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

## C. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

Sr. No	Name of the Director	Designation	Position in the Committee
1.	Mr. Jigneshbhai Valjibhai Mer	Non-Executive Independent Director	Chairman
2.	Mr. Bhankhodiya Dharmesh Ishvarbhai	Non-Executive Independent Director	Member
3.	Mr. Rajeshbhai Labhubhai Mer	Whole Time Director	Member

The Stakeholders' Relationship Committee was constituted by way of a Board resolution January 16, 2023. The scope

and functions of the Stakeholders' Relationship Committee are in accordance with section 178 of the Companies Act, 2013, and Regulation 20 of the SEBI LODR Regulations.

### **Terms of Reference**

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchange from time to time, the following:

1. Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer/transmission of shares;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual report / statutory notices by the shareholders of the Company;
5. Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
6. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
7. Non-receipt of declared dividends, balance sheets of the Company, annual report or any other documents or information to be sent by the Company to its shareholders; and
8. Carrying out any other function as prescribed under the Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of the Sub-Regulation (1) of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, as amended, will be applicable to our Company immediately upon the listing of Equity Shares. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, as amended, on listing of Equity Shares. Further, Board of Directors at their meeting held on February 06, 2023, has approved and adopted the policy on insider trading in view of the proposed public issue.

The Compliance Officer of our Company 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 AND MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI (LODR) Regulations will be applicable to our Company immediately upon the listing of Equity Shares of our Company. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, as amended, on listing of Equity Shares. The Board of Directors at their meeting held on February 06, 2023 has approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

## **KEY MANAGERIAL PERSONNEL**

### **Profile of Key Managerial Personnel**

The details of the Key Managerial Personnel as on the date of this Draft Prospectus are set out below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

**Mr. Satish K Kansodariya** is the Promoter, Chairman and Managing Director of our Company. He is undergraduate. He has been in the industry for more than a decade and has experience in Finance and Jewelry Sector. He is associated with our Company since inception.

**Mr. Rajeshbhai Labhubhai Mer** is the Promoter and Whole Time Director of our Company. He is undergraduate. He has more than 10 (Ten) years of experience in Gems and Jewelry Sector. He is associated with our Company since June 30, 2021. He handles day to day operations and is involved in handling Marketing activities of the Company. He is appointed as a Director on the Board of our Company on July 23, 2022.

**Mr. Ashwin Madhabhai Makwana** is the Chief Financial Officer of our Company. He completed Bachelor of Commerce from Veer Narmad South Gujarat University in the year 2021. He has been associated with our Company since March 18, 2023.

**Ms. Priti Mohata** is the Company Secretary and Compliance Officer of our Company. She completed Bachelor of Commerce from Veer Narmad South Gujarat University in year 2012 and Company Secretary Course from ICSI in year 2016. She has several years of experience in secretarial work. She has been associated with our Company since January 06, 2023.

#### **Status of Key Management Personnel in our Company**

All our Key Managerial Personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 70 years of age.

#### **Shareholding of Key Management Personnel in our Company**

The details of the shareholding of our Key Managerial Personnel as on the date of this Draft Prospectus are as follows:

<b>Sr. No.</b>	<b>Name of the Key Managerial Personnel</b>	<b>Designation</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>	<b>Percentage of Post-Issue Capital (%)</b>
1	Mr. Satish K Kansodariya	Managing Director	4,59,080	42.68	[●]
2	Mr. Rajeshbhai Labhubhai Mer	Whole Time Director	2,33,330	21.69	[●]
3	Mr. Ashwin Madhabhai Makwana	Chief Financial Officer	-	-	-
4	Ms. Priti Mohata	Company Secretary and Compliance Officer	-	-	-
	<b>Total</b>		<b>6,92,410</b>	<b>72.86</b>	<b>[●]</b>

#### **Interests of Key Management Personnel**

The Key Management Personnel 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. Our Key Management Personnel may be deemed interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such Key Management Personnel 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.

Our Key Management Personnel may 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.

#### **Payment of Benefits to Officers of Our Company (non-salary related)**

Except as disclosed in this Draft 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 superannuation, 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**' beginning on page 126 of this Draft Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoters.

#### **Remuneration/ Compensation paid to our Key Managerial Personnel**

There has been no remuneration / compensation paid to any of our Key Managerial Personnel during the financial year 2021-22.

#### **Relationship among Key Managerial Personnel and among Key Management Personnel and directors**

Except, spousal relation among Mr. Satish K Kansodariya (Managing Director) and Mrs. Sejalben Satish Kansodariya (Non-Executive Director), none of the Key Managerial Personnel is related to each other.

#### **Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as a key managerial personnel**

None of the above Key Managerial Personnel has been selected pursuant to any major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as key managerial personnel.

#### **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel**

Our Company does not have any bonus and/ or profit sharing plan for the Key Managerial Personnel. However, our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

#### **Contingent and Deferred Compensation payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

#### **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 Draft Prospectus.

#### **Loans availed by Directors/ Key Managerial Personnel of our Company**

None of the Directors or Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Draft Prospectus.

#### **Changes in Our Company's Key Managerial Personnel during the last three (3) years**

Changes in our Key Management Personnel during the three years immediately preceding the date of this Draft Prospectus are set forth below: The Company has appointed following person as KMP.

<b>Name of KMP</b>	<b>Event</b>	<b>Date of change</b>
Mr. Satish K Kansodariya	Appointment as Managing Director	January 06, 2023
Mr. Rajeshbhai Labhubhai Mer	Appointment as Whole Time Director	January 06, 2023
Ms. Priti Mohata	Appointment as Company Secretary and Compliance Officer	January 06, 2023
Mr. Satish K Kansodariya	Appointment as Chief Financial Officer	January 06, 2023
Mr. Satish K Kansodariya	Resignation as Chief Financial Officer	March 17, 2023
Mr. Ashwin Madhabhai Makwana	Appointment as Chief Financial Officer	March 18, 2023

## OUR PROMOTERS AND PROMOTER GROUP

Our Promoters are (i) Mr. Satish K Kansodariya and (ii) Mrs. Sejalben Satish Kansodariya and (iii) Mr. Rajeshbhai Labhubhai Mer. As on the date of this Draft Prospectus, our Promoters hold 9,59,285 Equity Shares which in aggregate, almost constitutes 89.18% of the pre issued and paid-up Equity Share capital of our Company.

As on the date of this Draft Prospectus, our Promoter holds 10,75,662 Equity Shares, representing 100.00% of the issued, subscribed, and paid-up Equity Share capital of our Company. For details of the shareholding of our Promoters in our Company, as on the date of this Draft Prospectus, see '*Capital Structure – History of the Equity Share capital held by our Promoters – Build-up of our Promoters' equity shareholding in our Company*' on page 64 of this Draft Prospectus.

Our Company confirms that the permanent account number, bank account number(s), passport number, Aadhar card number and driving license number of our individual Promoters were submitted to the Stock Exchange at the time of filing of the Draft Prospectus.

### Our Promoters

	Mr. Satish K Kansodariya, aged 36 years, is one of the Promoter of our Company.
	Date of Birth: June 26, 1986
	Permanent Account Number: ASFPK1010P
	Residential Address: Plot-24, Laxmi Narayan Society, Katargam, Dabholi Char rasta, Surat, Gujarat- 395004, India
	Aadhar No: 2637 3038 5273
	Passport No: W3790681
	Driving License No: MH01 20100005133
For complete profile of Mr. Satish K Kansodariya, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled ' <i>Our Management –Brief biographies of Directors</i> ' on page 111 of this Draft Prospectus.	
	Mrs. Sejalben Satish Kansodariya, aged 34 years, is one of the Promoter of our Company.
	Date of Birth: July 27, 1988
	Permanent Account Number: CALPK0484R
	Residential Address: Plot-24, Laxmi Narayan Society, Katargam, Dabholi Charrasta, Surat, Gujarat 395004, India
	Aadhar No: 2595 2148 5474
	For complete profile of Mrs. Sejalben Satish Kansodariya, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled ' <i>Our Management –Brief biographies of Directors</i> ' on page 111 of this Draft Prospectus.
	Mr. Rajeshbhai Labhubhai Mer, aged 31 years, is one of the Promoter of our Company.
	Date of Birth: October 10, 1991
	Permanent Account Number: CQRPM2055A
	Residential Address: 225, Reliance Nagar, G.H.B Sayan, RD, Amroli, Surat-394107, Gujarat, India
	Aadhar No: 9630 2375 5566
	Driving Licence No: GJ05 20100023642
For complete profile of Mr. Rajeshbhai Labhubhai Mer, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled ' <i>Our Management – Brief biographies of Directors</i> ' on page 111 of this Draft Prospectus.	

## **Change in Control of our Company**

Except acquisition of control by Mrs. Sejalben Satish Kansodariya and Mr. Rajeshbhai Labhubhai Mer on June 30, 2021, there has not been any change in the control of our Company since inception till the date of this Draft Prospectus. For further details of acquisition of Equity Shares by our Promoters, please see section titled *'Capital Structure-Build-up of the shareholding of our Promoters in our Company'* on page 64 of this Draft Prospectus.

For details of acquisition of shareholding by our Promoters, please see *'Capital Structure –Build-up of Promoters shareholding in our Company'* on page 64 of this Draft Prospectus.

## **Interest of Promoters**

None of our Promoters/ Directors have any interest in our Company except to the extent of compensation payable/ paid, and reimbursement of expenses (if applicable) and to the extent of any Equity Shares held by them and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please refer to the *'Capital Structure'*, *'Financial Information'* and *'Our Management'* beginning on pages 58, 126, and 110 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements, or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements, or arrangements which are proposed to be made with them other than in the normal course of business.

### ***Interest in the promotion of our Company***

Our Promoter is interested in our Company to the extent (i) that he has promoted our Company (ii) of his direct and indirect shareholding in our Company and the shareholding of his relatives in our Company; and (iii) of dividends payable (if any) and any other distributions in respect of the Equity Shares held by him in our Company. Our Promoter is interested in our Company to the extent that they are the promoters of our Company. For further details, see *'Capital Structure - Details of shareholding of the major Shareholders of our Company'* on page 63 of this Draft Prospectus.

Our Promoter is also deemed to be interested to the extent of remuneration payable to him as the Chairman and Managing Director of our Company. For details see *'Restated Standalone Financial Information –Related Party Disclosures'* on page 151 of this Draft Prospectus.

### ***Interest in the property of our Company***

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding 3 years from the date of this Draft Prospectus or proposed to be acquired by it as on the date of filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

### ***Interest in our Company arising out of being a member of a firm or company***

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

### ***Interest in our Company other than as Promoters***

Our Promoters are interested in our Company to the extent of their respective shareholding in our Company and shareholding of entities in which they are associated as partners, their directorship (and consequently remuneration payable to them and reimbursement of expenses) in our Company, and the dividends payable, if any, and any other distribution in respect of their respective shareholding in our Company. For further details please refer to the *'Capital Structure'*, *'Financial Information'* and *'Our Management'* beginning on pages 58, 126, and 110 of this Draft Prospectus.

### Payment or benefits to Promoters or Promoter Group

Except as stated in *'Related Party Transactions'* on page 151 of this Draft Prospectus, there have been no amounts paid or benefits paid or given by our Company to our Promoters or Promoter Group in the preceding 3 years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Draft Prospectus.

### Disassociation by our Promoters in the 3 years

None of our other Promoters have not disassociated themselves from any companies or firms during the preceding 3 years from the date of filing of this Draft Prospectus.

### Guarantees

Our Promoters have not given any material guarantees to any third party, in respect of the Equity Shares, as on the date of this Draft Prospectus. For details regarding other guarantees given by our Promoters, please see *'History and Certain Corporate Matters'* on page 103 of this Draft Prospectus.

### Litigation involving our Promoters

Except as disclosed in *'Outstanding Litigation and Other Material Developments'* page 161 of this Draft Prospectus, there are no legal and regulatory proceedings involving our Promoters as on the date of this Draft Prospectus.

### Promoter Group

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Satish K Kansodariya	Sejalben Satish Kansodariya	Rajeshbhai Labhubhai Mer
Father	Kalubhai L. Kansodariya	Bhupatbhai Harjibhai Goti	Labhubhai Jesangbhai Mer
Mother	Viruben Kalubha Kansodariya	Geetaben Bhupatbhai Goti	Ranjanben Labhubhai Mer
Brother	Jayeshbhai K. Kansodariya	Hardik Bhupatbhai Goti	Paresh Labhubhai Mer
Sister	Kiran Jayeshbhai Vaghani	Bhumikaben Bhupatbhai Goti	-
Spouse	Sejalben Satish Kansodariya	Satish K Kansodariya	Jagrutiben Rajeshbhai Mer
Spouse's Father	Bhupatbhai Harjibhai Goti	Kalubhai L. Kansodariya	Maganbhai Nagjibhai Jamod
Spouse's Mother	Geetaben Bhupatbhai Goti	Viruben Kalubha Kansodariya	Shardaben Maganbhai Jamod
Spouse's Brother	Hardik Bhupatbhai Goti	Jayeshbhai K. Kansodariya	Jayesh Maganbhai Jamod, Ravi Maganbhai Jamod
Spouse's Sister	Bhumikaben Bhupatbhai Goti	Kiran Jayeshbhai Vaghani	-
Son	Dhairya Satish Kansodariya (Minor)	Dhairya Satish Kansodariya (Minor)	Aarav Rajeshbhai Mer (Minor)
Daughter	-	-	Hiya Rajeshbhai Mer (Minor)

### Entities forming part of the Promoter Group

1. Shoor India Foundation
2. V B Developers

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of 'group companies' in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the chapter titled '**Restated Financial Information**' beginning on Page No. 130 of this Draft Prospectus.

Pursuant to a resolution passed by our Board dated February 06, 2023, for the purpose of disclosure in the Offer Documents for the Issue, a company shall be considered material and disclosed as a 'Group Company', if:

1. such company(ies) in which, the investment in the form of equity or loan by the Company exceeds 10% of the net worth of the Company for the last audited financial year;
2. where the Company has entered into one or more transactions with such company(ies) in the last audited financial year, cumulatively exceeding 10% of the total revenue of the Company for the last audited financial year; and
3. any other company / entities that the Board may decide to consider material.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, no companies have been identified and considered as the Group Company of our Company.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. However, Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the —record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not declared and/or paid any dividend on Equity Shares since its incorporation.

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## SECTION IX – FINANCIAL INFORMATION

**‘Auditor’s Report on the Restated Statement of Assets and Liabilities as on December 31 2022, March 31 2022, March 31 2021 Profit and Loss and Cash Flows for each of the period/years ended on December 31 2022, March 31 2022, March 31 2021 of SHOORA DESIGNS LIMITED (Formerly known as SHOORA DESIGNS PRIVATE LIMITED) (collectively, the ‘Restated Summary Statements’)**

To,  
**The Board of Directors  
Shoora Designs Limited  
Diamond Apts. Co-Op HSG Society Lt.,  
H No. 7/3388/A 6th Floor,  
C/1, 601 Haththupura Char Rasta,  
Surat – 395003.**

Dear Sir/Ma'am

1. We have examined the attached Restated Summary Statements along with significant accounting policies and related notes of Shoora Designs Limited (**the ‘Company’**) for the period ended on December 31, 2022 and for years ended on March 31, 2022, and March 31, 2021 annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer (**‘IPO’**) on the SME Platform of BSE SME.
2. These Restated Summary Statements have been prepared in accordance with the requirements of
  - (i) Part I of Chapter III to the Companies Act, 2013 (**‘the Act’**) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (**‘ICDR Regulations’**) issued by the Securities and Exchange Board of India (**‘SEBI’**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus /Prospectus (Collectively called as **‘Offer Document’**) being issued by the Company for its proposed IPO of equity share on the SME Platform of BSE SME.
  - (iv) (The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (**‘Guidance Note’**)).
3. The Restated Financial Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial years/period ended on December 31, 2022, March 31, 2022, and March 31, 2021.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The **‘Restated Summary Statement of Assets and Liabilities’** as set out in Annexure 1 to this report, of the Company as at December 31, 2022, March 31, 2022, and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - (ii) The **‘Restated Summary Statement of Profit and Loss’** as set out in Annexure 2 to this report, of the Company for the period/years ended December 31, 2022, March 31, 2022, and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Financial 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 4 to this Report.

- (iii) The **‘Restated Summary Statement of Cash Flow’** as set out in Annexure 3 to this report, of the Company for the period/years ended December 31, 2022, March 31, 2022, and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the 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 4 to this Report.
5. Based on the above and also as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the period/Financial Year ended December 31, 2022, March 31, 2022, and March 31, 2021 we are of the opinion that:
- a. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting years/period, if any;
  - b. 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 and there are no qualifications which require adjustments;
  - c. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - d. There were no qualifications in the Audit Reports issued by the Statutory Auditors for the period/financial year ended December 31, 2022, March 31, 2022, and March 31, 2021 which would require adjustments in this Restated Financial Statements of the Company;
  - e. 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 4 to this report;
  - f. 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;
  - g. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements except mentioned in clause (f) above;
  - h. There are no revaluation reserves, which need to be disclosed separately in the Restated Standalone Financial Statements;
  - i. The company has not declared or paid any dividend in accordance with section 123 of the Companies Act, 2013.
6. **Opinion:**
- In our opinion and to the best of information and explanation provided to us, and also as per the reliance placed on reports submitted by previous auditors, the restated financial information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure 4 are prepared after providing appropriate adjustments and regroupings as considered appropriate and disclosed in Annexure 4.
7. Audit for the Financial Year/period 2022-23 (April – December) have been Audited by us and Audit for the Financial Year, 2021-22 i.e. from 5th March,2021 to 31 March, 2022 have been conducted by Jay Mehta & Co, Chartered Accountants. Accordingly, reliance has been placed on the financial information examined by these auditors for the said years/periods.
- The financial report included for these years/period is based solely on the report submitted by these auditors for the said years/period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period ended December 31, 2022 and years ended March 31, 2022 and March 31, 2021 proposed to be included in the Draft Prospectus / Prospectus (**‘Offer Document’**) for the proposed IPO.

Annexure of Restated Financial Statements of the Company: -

- a. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
  - b. Reconciliation of Restated Profit and Loss as appearing in Annexure 4H (a) to this report.
  - c. Reconciliation of Restated Equity/Net worth as appearing in Annexure 4H (c) to this report.
  - d. Details of Share Capital as Restated appearing in Annexure 5 to this report;
  - e. Details of Reserves and Surplus as Restated appearing in Annexure 6 to this report;
  - f. Details of Long Term/Short Term Borrowings as Restated appearing in Annexure 7 to this report;
  - g. Details of Deferred Tax Assets/Liabilities (Net) as Restated appearing in Annexure 8 to this report;
  - h. Details of Long Term/Short Term Provisions as Restated appearing in Annexure 9 to this report;
  - i. Details of Trade Payables as Restated appearing in Annexure 10 to this report;
  - j. Details of Other Current Liabilities as Restated appearing in Annexure 11 to this report;
  - k. Details of Property Plant & Equipment as Restated appearing in Annexure 12 to this report;
  - l. Details of Other Current Assets as Restated appearing in Annexure 13 to this report;
  - m. Details of Trade Receivables as Restated appearing in Annexure 14 to this report;
  - n. Details of Inventories as Restated appearing in Annexure 15 to this report;
  - o. Details of Cash and cash equivalent as Restated appearing in Annexure 16 to this report;
  - p. Details of Revenue from operations as Restated appearing in Annexure 17 to this report;
  - q. Details of Other Income as Restated appearing in Annexure 18 to this report;
  - r. Details of Purchase of Cost of Material Consumed as restated appearing in Annexure 19 to this report;
  - s. Details of Purchase of Stock in Trade as restated appearing in Annexure 19A to this report;
  - t. Details of Change in Inventory of Finished Goods, Stock in Trade & WIP as restated appearing in Annexure 19B to this Report;
  - u. Details of Employee Benefit Expense as restated appearing in Annexure 20 to this report;
  - v. Details of Finance Cost as restated appearing in Annexure 21 to this report;
  - w. Details of Other Expense as restated appearing in Annexure 22 to this report;
  - x. Details of Statement of Accounting and other Ratios as Restated appearing in Annexure 23 to this report;
  - y. Details of Statement of Tax Shelter as Restated appearing in Annexure 24 to this report;
  - z. Statement of Capitalization as Restated appearing in Annexure 25 to this report;
  - aa. Details of Related Party transactions as Restated appearing in Annexure 26 to this report;
  - bb. Details of Additional Notes as Restated appearing in Annexure 27 to this report;
  - cc. Details of Statement of Ratios as Restated appearing in Annexure 28 to this report;
9. We, Piyush Kothari & 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.
10. The preparation and presentation of the Restated Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Restated Financial Statements and information referred to above is the responsibility of the management of the Company.
11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. In our opinion, the above financial information contained in Annexure 1 to 28 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing

**For, Piyush Kothari & Associates**  
**Chartered Accountants**  
**Firm's Registration No.: 140711W**

**Piyush Kothari**  
**Partner**  
**Membership No.: 158407**  
**Date: 06th February, 2023**  
**UDIN - 23158407BGUXXA4166**

**Place: Ahmedabad**

**RESTATED FINANCIAL STATEMENTS**

<b>Shoora Designs Limited (Formally Known Shoora Designs Private Limited)</b>				
<b>Annexure 1: Restated Standalone Summary Statement of Assets and Liabilities</b>				
<b>(Amount in Rs '000)</b>				
<b>Particulars</b>	<b>Annexure</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Equity and Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	<b>5</b>	3,073.32	100.00	100.00
Reserves and Surplus	<b>6</b>	13,390.99	341.39	(50.00)
<b>Total Equity</b>		<b>16,464.31</b>	<b>441.39</b>	<b>50.00</b>
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	<b>7</b>	-	-	-
Deferred Tax Liabilities (Net)	<b>8</b>	7.12	-	-
Long-Term Provisions	<b>9</b>	-	-	-
<b>Total Non- Current Liabilities</b>		<b>7.12</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Short-term borrowings	<b>7</b>	97.05	-	-
Trade payables	<b>10</b>			
i) Total outstanding dues of micro enterprise and small enterprise		-	-	-
ii) Total outstanding dues other than micro enterprise and small enterprise		699.92	928.29	-
Other current liabilities	<b>11</b>	165.45	9.00	25.00
Short-term provisions	<b>9</b>	637.86	124.02	-
<b>Total Current Liabilities</b>		<b>1,600.28</b>	<b>1,061.31</b>	<b>25.00</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>18,071.71</b>	<b>1,502.70</b>	<b>75.00</b>
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment and Intangibe Assets				
(i) Tangible Assets	<b>12</b>	344.27	47.04	-
(ii) Capital Work In Progress		-	-	-
(iii) Intangible Assets		-	-	-
Deferred tax assets (net)	<b>8</b>	-	4.07	-
Other Non-Current Assets	<b>13</b>	-	-	-
<b>Total Non-Current Assets</b>		<b>344.27</b>	<b>51.11</b>	<b>-</b>
<b>Current Assets</b>				
Other Current Assets	<b>13</b>	574.65	56.65	-
Trade Receivables	<b>14</b>	6,377.85	10.85	-
Inventories	<b>15</b>	9,235.98	-	-
Cash and Bank Balances	<b>16</b>	1,538.96	1,384.09	75.00
<b>Total Current Assets</b>		<b>17,727.44</b>	<b>1,451.59</b>	<b>75.00</b>
<b>TOTAL ASSETS</b>		<b>18,071.71</b>	<b>1,502.70</b>	<b>75.00</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information in Annexure 4.

as per our report of even date attached

**For, Piyush Kothari & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 140711W**

**For & on behalf of Board of Director**

**Piyush Kothari**  
**Partner**  
**M. No. 158407**

**Place: Ahmedabad**

**Date : 06<sup>th</sup> February, 2023**

**Satish K Kansodariya**

**(Managing Director)**

**DIN: 08444489**

**Priti Mohata**

**(Company Secretary)**

**Rajeshbhai Labhubhai**  
**Mer**

**(Whole Time Director)**

**DIN: 09684481**

**Place: Surat**

**Date: 06<sup>th</sup> February, 2023**





<b>Shoora Designs Limited (Formally Known Shoora Designs Private Limited)</b>			
<b>Annexure 3: Restated Standalone Summary Statement of Cash Flows</b>			
<b>(Amount in Rs '000)</b>			
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>	<b>Year Ended 31st March, 2022</b>	<b>Year Ended 31st March, 2021</b>
<b>A. Cash flow from operating activities</b>			
<b>Profit before tax, as Restated Standalone</b>	2,366.18	511.34	(50.00)
<b>Adjustments for:</b>			
Depreciation and amortisation expense	30.92	6.33	-
Finance costs	17.31	2.02	-
<b>Operating profit before working capital changes</b>	<b>2,414.41</b>	<b>519.69</b>	<b>(50.00)</b>
<b>Changes in working capital:</b>			
(Increase) / decrease Inventories	(9,235.98)	-	-
(Increase) / decrease in Trade Receivables	(6,367.00)	(10.85)	-
(Increase) / decrease in Other Current Assets	(518.01)	(56.65)	-
Increase / (decrease) in Trade Payables	(228.37)	928.29	-
Increase / (decrease) in Other Current Liabilities	156.45	(16.00)	25.00
Increase / (decrease) in Short Term Provision	513.85	124.02	-
<b>Cash generated from / (utilised in) operations</b>	<b>(13,264.65)</b>	<b>1,488.50</b>	<b>(25.00)</b>
Less : Income tax paid	(604.01)	(124.02)	
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>(13,868.66)</b>	<b>1,364.48</b>	<b>(25.00)</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment & intangible Assets	(328.15)	(53.37)	
<b>Net cash flow utilised in investing activities (B)</b>	<b>(328.15)</b>	<b>(53.37)</b>	<b>-</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from issuance of shares	2,973.32		100.00
Proceeds from Security Premium	11,298.62		
Net of Repayment/Proceeds from Long /Short Term Borrowings	97.05		
Interest/Finance Charges Paid	(17.31)	(2.02)	
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>14,351.68</b>	<b>-2.02</b>	<b>100.00</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>154.87</b>	<b>1,309.09</b>	<b>75.00</b>
Cash and cash equivalents at the beginning of the period/ year	<b>1,384.09</b>	<b>75.00</b>	<b>0.00</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>1,538.96</b>	<b>1,384.09</b>	<b>75.00</b>
<b>Note:</b>			
The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company in Annexure 1, 2 and 4			
The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013			
<b>As per our report of even date attached</b>			
<b>For, Piyush Kothari &amp; Associates</b>		<b>For &amp; on behalf of Board of Directors</b>	
<b>Chartered Accountants</b>			
<b>Firm Registration No.: 140711W</b>			
	<b>Satish K Kansodariya</b> (Managing Director) DIN: 08444489	<b>Rajeshbhai Labhubhai Mer</b> (Whole Time Director) DIN: 09684481	
<b>Piyush Kothari</b> Partner M. No. 158407 Place: Ahmedabad Date: 06 <sup>th</sup> February, 2023	<b>Priti Mohata</b> Company Secretary	<b>Place: Surat</b> Date: 06 <sup>th</sup> February, 2023	

**Shoora Designs Limited (Formally Known Shoora Designs Private Limited)**

**Annexure 4: NOTES TO THE RESTATEMENT**

<b>A.</b>	<b>BACKGROUND OF THE COMPANY</b>
	Shoora Designs Limited is engaged in Manufacturing and trading of diamonds majorly in Surat, Gujarat. Operations of the Company include sourcing of rough, polished and uncut diamonds from primary and secondary source suppliers in the domestic market and sale of diamond to the retails and wholesale operations in Gujarat and Mumbai. The Company primarily sell diamonds to a customer base spread across domestic markets that includes various jewellery manufacturers, large department store chains, retail stores and wholesalers.
<b>B</b>	<b>SIGNIFICANT ACCOUNTING POLICIES</b>
<b>a.</b>	<b>BASIS OF PREPARATION</b>
	The financial statements have been prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis. All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
<b>b.</b>	<b>USE OF ESTIMATES</b>
	The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.
<b>c.</b>	<b>REVENUE RECOGNITION:</b>
	(i) Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognised net of GST and other taxes as the same is recovered from customers and passed on to the government. (ii) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. (iii) Other items of income and expenses are recognised on accrual basis. (iv) Income from export entitlement is recognised as on accrual basis.
<b>d.</b>	<b>FOREIGN CURRENCY TRANSACTIONS.</b>
	<b>Initial recognition</b>
	Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.
	<b>Measurement of foreign currency monetary items at Balance Sheet date</b>
	Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are Restated Standalone at the year end rates.
	<b>Exchange difference</b>
	Exchange differences arising on settlement of monetary items are recognised as income or expense in the period in which they arise. Exchange difference arising on restatement of foreign currency monetary items as at the year end being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year. Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.
	<b>Forward Exchange Contract</b>
	The Premium or discount arising at the inception of the Forward Exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange Differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such a forward contract is recognized as income or expense in the period in which such cancellation or renewal is made. The Foreign currency exposures that have not been hedged by a derivative instrument.
<b>e.</b>	<b>INVESTMENTS</b>
	Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On

	<p>disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.</p> <p>Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.</p>
<b>f.</b>	<b>PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS</b>
	<b>(i) Tangible Assets</b>
	<p>Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.</p>
	<p>Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.</p>
	<p>An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.</p>
<b>g.</b>	<b>DEPRECIATION AND AMORTISATION</b>
	Depreciation is calculated using the Written Down Value Method over their estimated useful lives.
<b>h.</b>	<b>INVENTORIES:</b>
	<p>Items of inventories are measured at lower of cost or net realisable value. Cost of inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing material and fuel are determined on weighted average basis. Cost of WIP is determined on absorption costing method. Valuation of FG is cost or NRV, whichever is less.</p>
<b>i.</b>	<b>IMPAIRMENT OF ASSETS:</b>
	<p>The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.</p> <p>The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.</p> <p>Impairment losses of continuing operations are recognised in the statement of profit and loss.</p> <p>An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.</p>
<b>j.</b>	<b>RETIREMENT BENEFITS:</b>
	<p>(i) Short-term employee benefits: Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognised as expenses in the period in which the employee renders the related service</p> <p>(ii) Post-employment benefits: Defined Contribution Plan: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before</p>

	<p>the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.</p> <p><b>Defined benefit Plans</b>  <b>Unfunded Plan:</b> The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.</p> <p>Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.</p> <p>The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.</p>
<b>k.</b>	<p><b>BORROWING COST</b></p> <p>Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.</p>
<b>l.</b>	<p><b>EARNINGS PER SHARE:</b></p> <p>The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.</p> <p>Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.</p>
<b>m.</b>	<p><b>TAXATION:</b></p> <p>Tax expense for the year comprising current tax &amp; deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes &amp; accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognised only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognised. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.</p>
<b>n.</b>	<p><b>PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:</b></p> <p><b>(i) Provisions</b></p> <p>A provisions is recognized when the Company has a present obligation as a result of past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.</p> <p><b>(ii) Contingent Liability</b></p> <p>Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.</p> <p><b>(ii) Contingent Assets</b></p> <p>Contingent Assets are neither recognised nor disclosed in the financial statements.</p>

<b>o.</b>	<b>SEGMENT REPORTING</b> In accordance with the Accounting Standard 17 'segment reporting' as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended), as the company is covered under categories of SMC companies, the said accounting standard is not applicable to it.
<b>p.</b>	<b>CASH &amp; CASH EQUIVALENTS</b> Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.
<b>q.</b>	<b>LEASES</b> Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term. Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
<b>r.</b>	<b>Government Grants</b> Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

<b>C.</b>	<b>Contingent liabilities and commitments</b>		
<b>(i) Contingent liabilities</b>	<b>(Amount in Rs '000)</b>		
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
<b>Claims against the Company not acknowledged as debt</b>			
Direct Tax	-	-	-
Indirect Tax/ Other Tax Liability	-	-	-
Amount of Capital Commitments	-	-	-
Note :-			

<b>D.</b>	<b>Earning &amp; Expenditure in foreign currency on accrual basis</b>	<b>(Amount in Rs '000)</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> December, 2022</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	
<b>Foreign Currency Expenditure (Net off Remittance Charges)</b>				
Earning	-	-	-	
Purchase	-	-	-	
Expenses	-	-	-	

<b>E.</b>	<b>The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:</b>	<b>(Amount in Rs '000)</b>		
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	
Foreign Currency Exposure that have not been Hedged by Derivative Instruments	-	-	-	

<b>F.</b>	<b>Changes in Accounting Policies in the Periods/Years Covered In The Restated Standalone Financials</b>
	There is no change in significant accounting policies adopted by the Company.

<b>G.</b>	<b>Notes On Restatement Made In The Restated Standalone Financials</b>
	<ol style="list-style-type: none"> <li>1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.</li> <li>2. Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.</li> <li>3. Figures have been rearranged and regrouped wherever practicable and considered necessary.</li> <li>4. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.</li> <li>5. The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.</li> <li>6. Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.</li> <li>7. Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.</li> <li>8. Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest Rs In Thousands. Figures in brackets indicate negative values.</li> </ol>

<b>H.</b>	<b>Restatement adjustments, Material regroupings and Non-adjusting items</b>		
<b>(a)</b>	<b>Impact of restatement adjustments</b>		
	Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.		
	<b>(Amount in Rs '000)</b>		
Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit after tax as per audited financial statements	1,736.88	381.19	(25.00)
<b>Adjustments to net profit as per audited financial statements</b>			
Increase / Decrease in Expenses/Income (refer note (b)(i) below)	20.00	5.00	(25.00)
Excess / Short Provision for Tax/MAT (refer note (b)(ii) below)	-	(0.70)	-
Differed Tax Liability / Assets Adjustments (refer note (b)(iii) below)	(5.91)	5.90	
<b>Total adjustments</b>	<b>14.09</b>	<b>10.20</b>	<b>(25.00)</b>
<b>Restated Standalone profit after tax for the period/ years</b>	<b>1,750.97</b>	<b>391.39</b>	<b>(50.00)</b>
<b>Note:</b>	A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the Restated Standalone numbers.		
<b>(b)</b>	<b>Explanatory notes for the restatement adjustments</b>		
(i)	The Amount relating to the Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.		
(ii)	The Company has provided Excess or Short Provision/MAT in the year in which the Income Tax Return has been filled for the respective financial year But in the Restated Standalone Financial Information the company has provided Excess or Short Provision/MAT in the year to which it relates to.		
(iii)	There is change in deferred tax assets / liabilities as per audited books of accounts and as per Restated Standalone books for respective financial covered under the Restated Standalone financial information and the same has been given effect in the year to which the same relates to.		
<b>To give Explanatory Notes Regarding Adjustment :-</b>			
Appropriate adjustment have been made in the Restated Standalone financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.			

<b>(c) Reconciliation of Restated Standalone Equity / Net worth:</b>		<b>(Amount in Rs '000)</b>		
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>	
<b>Equity / Networth as per Audited Financials</b>	16,464.99	456.19	75.00	
<b>Adjustment for:</b>				
Difference Pertaining to changes in Profit / Loss due to Restated Standalone Effect for the period covered in Restated Standalone Financial	(0.68)	(14.80)	(25.00)	
Prior Period Adjustments				
<b>Equity / Networth as Restated Standalone</b>	<b>16,464.31</b>	<b>441.39</b>	<b>50.00</b>	
<b>To give Explanatory Notes Regarding Adjustment:-</b>				
Appropriate adjustment has been made in the Restated Standalone financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.				

<b>Annexure No. 5: Restated Standalone Statement of Share capital</b>			
<b>(Amount in ₹ '000)</b>			
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Authorised share capital</b>			
Equity shares of ₹10 each			
- Number of shares	15,00,000.00	50,000.00	50,000.00
- Amount in ₹	15,000.00	500.00	500.00
	<b>15,000.00</b>	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and fully paid up</b>			
Equity shares of ₹10 each			
- Number of shares	3,07,332.00	10,000.00	10,000.00
- Amount in ₹	3,073.32	100.00	100.00
	<b>3,073.32</b>	<b>100.00</b>	<b>100.00</b>
<b>Reconciliation of equity share capital</b>			
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Balance at the beginning of the period/year</b>			
- Number of shares	10,000.00	10,000.00	-
- Amount in ₹	100.00	100.00	-
<b>Add: Shares issued during the period/year</b>			
- Number of shares	2,97,332.00	-	10,000.00
- Amount in ₹	2,973.32	-	100.00
<b>Balance at the end of the period/year</b>			
- Number of shares	<b>3,07,332.00</b>	<b>10,000.00</b>	<b>10,000.00</b>
- Amount in ₹	<b>3,073.32</b>	<b>100.00</b>	<b>100.00</b>
A. During the period ended 31st December,2022, company has issued 2208 equity share as a consideration other than cash (i.e., in lieu of consideration against the Takeover of M/s. Rajeshbhai Labhubhai Mer, Proprietorship Firm) at face value of ₹10/- as on the date of 26/12/2022.			
B. During the period ended 31st December, 2022, company has issued 2,95,124 equity share on conversion of loan into equity at face value of ₹10/- as on the date of 31/12/2022.			

<b>Shareholders holding more than 5% of the shares of the Company</b>			
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Equity shares of ₹10 each</b>			
<b>Satish K Kansodariya</b>			
- Number of shares	1,31,166	2,000	5,000
- Percentage holding (%)	42.68%	20.00%	50.00%
<b>Vipulbhai Karmshibhai Anghan</b>			
- Number of shares	2,000	2,000	5,000
- Percentage holding (%)	0.65%	20.00%	50.00%
<b>Sejalben Satish Kansodariya</b>			
- Number of shares	76250	3,000	0.00%
- Percentage holding (%)	24.81%	30.00%	0.00%
<b>Rajeshbhai Labhubhai Mer</b>			
- Number of shares	66666	3,000	0.00%
- Percentage holding (%)	21.69%	30.00%	0.00%
<b>Jagrutiben Rajeshbhai Mer</b>			
- Number of shares	31250	0.00%	0.00%
- Percentage holding (%)	10.17%	0.00%	0.00%
<b>Shares held by Promoters at the end of the year</b>			
<b>For 31st December, 2022</b>			
<b>Particulars</b>	<b>No of Shares</b>	<b>% of total Shares</b>	<b>% Change during the year</b>
Satish K Kansodariya	131166	42.68%	22.68%
Sejalben Satish Kansodariya	76,250	24.81%	-5.19%
Rajeshbhai Labhubhai Mer	66,666	21.69%	-8.31%
Jagrutiben Rajeshbhai Mer	31,250	10.17%	100.00%
<b>Shares held by Promoters at the end of the year</b>			
<b>For the year ended 31 March 2022</b>			
<b>Particulars</b>	<b>No of Shares</b>	<b>% of total Shares</b>	<b>% Change during the year</b>
Satish K Kansodariya	2,000	20.00%	-30.00%
Sejalben Satish Kansodariya	3,000	30.00%	100.00%
Rajeshbhai Labhubhai Mer	3,000	30.00%	100.00%
<b>Shares held by Promoters at the end of the year</b>			
<b>For the year ended 31 March 2021</b>			
<b>Particulars</b>	<b>No of Shares</b>	<b>% of total Shares</b>	<b>% Change during the year</b>
Satish K Kansodariya	5,000	50.00%	100%
Vipulbhai Karmshibhai Anghan	5,000	50.00%	100%

#### **Terms & Rights attached to Equity Shares.**

The Company has only one class of share referred to as Equity Shares having a par value of ₹10/- each. Each holder of Equity Shares is entitled to one vote per share. Dividend on such shares is payable in proportion to the paid up amount. Dividend (if any) recommended by board of directors (other than interim dividend) is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of winding up of the company, the holder of Equity Shares will be entitled to receive any of the remaining assets of the company after all preferential amounts and external liabilities are paid in full. However, no such preferential amount exists currently. The distribution of such remaining assets will be on the basis of number of Equity Shares held and the amount paid up on such shares.

The Figures disclosed above are based on the summary statement of assets and liabilities of the company.

The above statement should be read with the Restated Standalone statement of assets & liabilities, Restated Standalone statement of Profit & Loss, Restated Standalone statement of Cashflow, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1, 2, 3 & 4 respectively.



<b>Annexure No. 6: Restated Standalone Statement of Reserves and surplus</b>			
(Amount in ₹ '000)			
Particulars	As at 31st December, 2022	As at 31st March, 2022	As at 31st March, 2021
<b>A. Securities premium account</b>			
Balance at the beginning of the period / year	-	-	-
Add : On shares issued	11,298.62	-	-
Less : Issue of Bonus Shares	-	-	-
<b>Balance at the end of the period/year</b>	<b>11,298.62</b>	<b>-</b>	<b>-</b>
<b>B. Surplus in the Restated Standalone Summary Statement of Profit and Loss</b>			
Balance at the beginning of the period/year	341.39	(50.00)	-
Add : Transferred from the Restated Standalone Summary Statement of Profit and Loss	1,750.97	391.39	(50.00)
<b>Balance at the end of the period/year</b>	<b>2,092.37</b>	<b>341.39</b>	<b>(50.00)</b>
<b>Total (A+B)</b>	<b>13,390.99</b>	<b>341.39</b>	<b>(50.00)</b>
<b>Note:</b>			
1. The Figures disclosed above are based on the summary statement of assets and liabilities of the company.			
2. The above statement should be read with the Restated Standalone statement of assets & liabilities, Restated Standalone statement of Profit & Loss, Restated Standalone statement of Cashflow, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1, 2, 3 & 4 respectively.			

<b>Annexure No. 7: Restated Standalone Statement of Long- term / Short-term borrowings</b>						
(Amount in ₹ '000)						
Particulars	As at 31st December, 2022		As at 31st March, 2022		As at 31st March, 2021	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Secured</b>						
(a) Loans from Banks	-	-	-	-	-	-
(b) Current Maturity	-	-	-	-	-	-
<b>Unsecured</b>						
(d) Loans from, Directors, Members, Related Parties, & Inter Corporate Deposit						
From Directors, Members, & Related Parties	-	97.05	-	-	-	-
Unsecured Loan from directors	-	-	-	-	-	-
	-	<b>97.05</b>	-	-	-	-
<b>Note:</b>						
Loan From Directors, Related Parties & Others are shown as above are Unsecured Loan which is repayable on Demand						

<b>Annexure No. 8: Deferred Tax Assets/Liabilities</b>			
(Amount in ₹ '000)			
Particulars	As at 31st December, 2022	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred Tax Assets &amp; Liabilities Provision</b>			
WDV As Per Companies Act 2013	344.27	47.04	-
WDV As Per Income Tax Act	300.62	42.70	-
<b>Difference in WDV</b>	<b>43.65</b>	<b>4.34</b>	<b>-</b>
Gratuity Provision	-	-	-
Other Disallowance	(16.25)	(20.00)	-
<b>Total Timing Difference</b>	<b>27.40</b>	<b>(15.66)</b>	<b>-</b>
Tax Rate as per Income Tax	26.00%	26.00%	26.00%
(DTA) / DTL	7.12	(4.07)	-
<b>Deferred Tax Assets &amp; Liabilities Summary</b>			

<b>Opening Balance of (DTA) / DTL</b>	-4.07	-	-
Add: Provision for the Year	11.20	(4.07)	-
<b>Closing Balance of (DTA) / DTL</b>	<b>7.12</b>	<b>(4.07)</b>	-
<b>Note:</b>			
In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Liabilities (net of Assets) is provided in the books of account as at the end of the year/ (period)			

<b>Annexure No. 9: Deferred Tax Assets/Liabilities</b>						
<b>(Amount in ₹ '000)</b>						
<b>Particulars</b>	<b>As at 31st December, 2022</b>		<b>As at 31st March, 2022</b>		<b>As at 31st March, 2021</b>	
	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>
<b>Provision for employee benefits:</b>						
Provision for Expenses & Others	-	33.15	-	-	-	-
Provision For Income Tax	-	604.71	-	124.02	-	-
	-	<b>637.86</b>	-	<b>124.02</b>	-	-
<b>Note:</b>						
The figures disclosed above are based on the Restated Standalone summary statement of assets & liabilities of company. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.						
<b>Annexure No. 9.1: Restated Notes to Account</b>						
The company is not falling under the purview of compliance related to Gratuity Provision						

<b>Annexure No. 10: Restated Standalone Statement of Trade payables</b>			
<b>(Amount in ₹ '000)</b>			
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Dues of micro and small enterprises (refer note below)	-	-	-
Dues to others	699.92	928.29	-
	<b>699.92</b>	<b>928.29</b>	-

<b>Annexure No. 10.1: Trade payables ageing schedule</b>			
<b>(Amount in ₹ '000)</b>			
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Disputed Dues</b>	-	-	-
<b>Undisputed Dues</b>			
<b>(a) Micro, Small &amp; Medium Enterprise</b>			
Less than 1 year	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 Years	-	-	-
<b>(b) Other</b>			
Less than 1 year	699.92	928.29	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 Years	-	-	-

<b>Note:</b>			
1. The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act' ) and hence disclosures regarding the following have not been made:			
i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.			
ii. Interest paid during the period / year to MSME.			

- iii. Interest payable at the end of the accounting period / year to MSME.  
iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.  
Management believes that the figures for disclosures, if any, will not be significant.  
2. Trade Payables as on 31st December, 2022 has been taken as certified by the management of the company.

<b>Annexure No. 11: Restated Standalone Statement of Other Current Liabilities</b>			
(Amount in ₹ '000)			
<b>Particulars</b>	<b>As at 31st December, 2022</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Other Current Liabilities</b>			
Current Maturities of Long-Term Debts			
Interest Accrued and Due			
Salary & Wages Payables			
Income Tax Payable			
Statutory dues	-	-	-
Other Payables	-	9.00	25.00
Advance from customers	165.45	-	-
	<b>165.45</b>	<b>9.00</b>	<b>25.00</b>
<b>Notes:</b>			
1. Advance received from the customers have been taken as certified by the management of the company and no security has been offered by the company against the same.			
2. The figures disclosed above are based on the Restated Standalone summary statement of assets & liabilities of company.			
3. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.			

<b>Annexure 12: Restated Standalone Statement of Property, Plant and Equipment</b>					
(Amount in ₹ '000)					
<b>Gross block</b>	<b>Office Equipment</b>	<b>Computer &amp; Printer</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Fixtures</b>	<b>Total</b>
<b>Balance as at 31 March 2020</b>	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	-	-	-	-	-
Additions	53.37	-	-	-	53.37
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>53.37</b>	-	-	-	<b>53.37</b>
Additions	25.78	145.68	44.07	112.62	328.15
Disposals	-	-	-	-	-
<b>Balance as at 31 December, 2022</b>	<b>79.15</b>	<b>145.68</b>	<b>44.07</b>	<b>112.62</b>	<b>381.52</b>
<b>Accumulated depreciation and amortisation</b>					
<b>Balance as at 31 March 2020</b>	-	-	-	-	-
Depreciation charge	-	-	-	-	-
Reversal on disposal of assets	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	-	-	-	-	-
Depreciation charge	6.33	-	-	-	6.33
Deduction/ Adjustment	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>6.33</b>	-	-	-	<b>6.33</b>
Depreciation charge	17.09	10.91	1.52	1.40	30.92
Deduction/ Adjustment	-	-	-	-	-
<b>Balance as at 31 December, 2022</b>	<b>23.42</b>	<b>10.91</b>	<b>1.52</b>	<b>1.40</b>	<b>37.25</b>
<b>Net block</b>					
<b>Balance as at 31 March 2021</b>	-	-	-	-	-

<b>Annexure 12: Restated Standalone Statement of Property, Plant and Equipment</b>					
(Amount in ₹ '000)					
<b>Gross block</b>	<b>Office Equipment</b>	<b>Computer &amp; Printer</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Fixtures</b>	<b>Total</b>
<b>Balance as at 31 March 2022</b>	<b>47.04</b>	-	-	-	<b>47.04</b>
<b>Balance as at 31 December, 2022</b>	<b>55.73</b>	<b>134.77</b>	<b>42.55</b>	<b>111.22</b>	<b>344.27</b>
<b>Notes:</b>					
1. The figures disclosed above are based on the Restated Standalone summary statement of assets & liabilities of company. 2. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.					

<b>Annexure 13: Other Current Assets</b>						
(Amount in ₹ '000)						
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>		<b>Year Ended 31st March, 2022</b>		<b>Year Ended 31st March, 2021</b>	
	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>	<b>Long-term</b>	<b>Short-term</b>
Pre IPO-Expenses	-	514.00	-	-	-	-
Balance with Revenue Authorities	-	60.65	-	56.65	-	-
	-	<b>574.65</b>	-	<b>56.65</b>	-	-
<b>Notes:</b>						
1. The figures disclosed above are based on the Restated Standalone summary statement of assets & liabilities of company. 2. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.						

<b>Annexure 14: Restated Standalone Statement of Trade Receivables</b>				
(Amount in ₹ '000)				
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>	<b>Year Ended 31st March, 2022</b>	<b>Year Ended 31st March, 2021</b>	
<b>Undisputed -Considered Good</b>				
<b>1. From Directors/ Promotors / Promotor Group / Associates / Relative of Directors / Group Companies</b>				
Less than Six Months	-	-	-	-
Others	-	-	-	-
	-	-	-	-
<b>2. From Others</b>				
Less than Six Months	6,377.85	10.85	-	-
6 Months to 1 Year	-	-	-	-
1 Year to 2 Years	-	-	-	-
2 Years to 3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-
(iv) Disputed – considered good	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-
(vi) Disputed– credit impaired	-	-	-	-
	<b>6,377.85</b>	<b>10.85</b>	-	-
<b>Notes:</b>				
1. As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful				

debts have not been made.

- Trade Receivables as on 31st December, 2022 has been taken as certified by the Management of the Company.
- The figures disclosed above are based on the Restated Standalone summary statement of assets & liabilities of company.
- The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 15: Restated Standalone Statement of Inventories**

(Amount in ₹ '000)

Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Stock in Trade / Finished Goods	5,293.14	-	-
WIP	3,942.84	-	-
	<b>9,235.98</b>	-	-

**Notes:**

- Value of Inventories as on 31st December, 2022 has been taken as certified by the management of the company.

**Annexure 16: Restated Standalone Statement of Cash and Bank Balances**

(Amount in ₹ '000)

Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Cash and cash equivalents</b>			
Cash on hand	1,509.98	1,383.01	75.00
<b>Balances with Banks</b>			
In Current Accounts	28.98	1.08	-
	<b>1,538.96</b>	<b>1,384.09</b>	<b>75.00</b>

**Notes:**

- The figures disclosed above are based on the Restated Standalone summary statement of assets & liabilities of company.
- The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 17: Restated Standalone Statement of Revenue from operations**

(Amount in ₹ '000)

Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Revenue from operations</b>			
<b>Domestic Sales</b>			
Manufacturing Sales	4,515.69		-
Trading Sales	6,043.28	1,625.78	-
	<b>10,558.97</b>	<b>1,625.78</b>	-

**Notes:**

- The figures disclosed above are based on the Restated Standalone summary statement of Profit & Loss of the company.
- The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

<b>Annexure 18: Restated Standalone Statement of Other Income</b>			
(Amount in ₹ '000)			
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>	<b>Year Ended 31st March, 2022</b>	<b>Year Ended 31st March, 2021</b>
<b>Other Non Operating Income</b>			
Other Income	1.36	-	-
	<b>1.36</b>	-	-
<b>Profit before tax</b>	2,366.18	511.34	50.00
<b>% of other income to profit before tax</b>	0.06%	0.00%	0.00%
<b>Notes:</b>			
1. The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.			
2. The figures disclosed above are based on the Restated Standalone summary statement of Profit & Loss of the company.			
3. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.			

<b>Annexure 19. Cost of Material Consumed</b>			
(Amount in ₹ '000)			
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>	<b>Year Ended 31st March, 2022</b>	<b>Year Ended 31st March, 2021</b>
Opening Stock	-	-	-
Add: Domestic Purchases	8,767.57	-	-
Less: Closing Stock	-	-	-
	<b>8,767.57</b>	-	-

<b>Annexure 19A: Purchase of Stock-In-Trade</b>			
(Amount in ₹ '000)			
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>	<b>Year Ended 31st March, 2022</b>	<b>Year Ended 31st March, 2021</b>
Purchase of Stock-In- Trade	6,969.99	1,015.42	-
	<b>6,969.99</b>	<b>1,015.42</b>	-

<b>Annexure 19B. Change In Inventory of Finished Goods, Stock In Trade and WIP</b>			
(Amount in ₹ '000)			
<b>Particulars</b>	<b>Period Ended 31st December, 2022</b>	<b>Year Ended 31st March, 2022</b>	<b>Year Ended 31st March, 2021</b>
<b>Stock In Trade / Finished Goods</b>			
Opening Stock	-	-	-
Less: Closing Stock	5,293.14	-	-
	<b>(5,293.14)</b>	-	-
<b>WIP</b>			
Opening Stock	-	-	-
Less: Closing Stock	3,942.84	-	-
	<b>(3,942.84)</b>	-	-
	<b>(9,235.98)</b>	-	-

**Notes:**

1. The figures disclosed above are based on the Restated Standalone summary statement of Profit & Loss of the company.
2. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 20: Restated Standalone Statement of Employee Benefits Expense****(Amount in ₹ '000)**

Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Salaries & Wages	230.00	-	-
	<b>230.00</b>	-	-

**Notes:**

2. The figures disclosed above are based on the Restated Standalone summary statement of Profit & Loss of the company.
3. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 21: Restated Standalone Statement of Finance Costs****(Amount in ₹ '000)**

Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Interest expense:</b>			
Other Interest Expenses	15.65	-	-
Other Finance Cost	1.66	2.02	-
	<b>17.31</b>	<b>2.02</b>	-

**Notes:**

1. The figures disclosed above are based on the Restated Standalone summary statement of Profit & Loss of the company.
2. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 22: Restated Standalone Statement of Other Expenses****(Amount in ₹ '000)**

Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Diamond Shaping Expenses (Sarin)	1,202.25	-	-
<b>DIRECT/PRODUCTIONS EXPENSES</b>	<b>1,202.25</b>	-	-
<b>Administrative, Selling and Other Expenses</b>			
Accounting Fees	13.00	-	-
Auditor Fees	10.00	9.00	-
Legal Charges	31.80	9.00	-
Legal Consultancy Fees	44.60	2.13	25.00
Other Expenses	15.18	8.07	25.00
Printing and Stationary Expenses	38.00	3.17	-
Rates & Taxes	8.98	-	-

<b>Annexure 22: Restated Standalone Statement of Other Expenses</b>			
(Amount in ₹ '000)			
Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Tax Consultancy Fees	-	6.83	-
Technical Service Expenses	-	37.16	-
Telephone and Mobile Expense	-	7.54	-
Travelling Expense	1.19	-	-
Valuation Fees	41.60	-	-
Vehicle Running Expenses	-	7.49	-
Website Expenses	7.74	-	-
<b>Total</b>	<b>212.09</b>	<b>90.67</b>	<b>50.00</b>
<b>Grand Total</b>	<b>1,414.34</b>	<b>90.67</b>	<b>50.00</b>
<b>Notes:</b>			
1. The figures disclosed above are based on the Restated Standalone summary statement of Profit & Loss of the company.			
2. The above statement should be read with the Restated Standalone summary statement of assets & liabilities, Restated Standalone statements of Profit & Loss, Restated Standalone statements of Cashflow statement, significant accounting policies & notes to Restated Standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.			

<b>Annexure 23: Restated Standalone Statement of Accounting and Other Ratios</b>				
(Amount in ₹ '000)				
Sr. no.	Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>A</b>	Net worth, as Restated Standalone	16,464.31	441.39	50.00
<b>B</b>	Profit after tax, as Restated Standalone	1,750.97	391.39	(50.00)
<b>Weighted average number of equity shares outstanding during the period/ year</b>				
<b>C</b>	For Basic/Diluted earnings per share (Prior to Bonus Issue)	11,210	10,000	10,000
<b>D</b>	For Basic/Diluted earnings per share (Post Bonus Issue)	7,79,540	7,78,330	7,78,330
<b>Earnings per share</b>				
<b>E</b>	Basic/Diluted earnings per share prior to bonus issue (B/C)	156.20	39.14	-5.00
<b>F</b>	Adjusted Diluted earnings per share after bonus issue (B/D)	2.25	0.50	-0.06
<b>G</b>	<b>Return on Net Worth (%) (B/A*100)</b>	10.63%	88.67%	-100.00%
<b>H</b>	Number of shares outstanding at the end of the period/ year	3,07,332	10,000	10,000
<b>I</b>	Number of shares outstanding at the end of the period/ year after Bonus Issue	10,75,662	7,78,330	7,78,330
<b>J</b>	<b>Net asset value per equity share of Rs 10 each(A/H)</b>	<b>53.57</b>	<b>44.14</b>	<b>5.00</b>
<b>K</b>	<b>Net asset value per equity share of Rs 10 each after Bonus Issue (A/I)</b>	<b>15.31</b>	<b>0.57</b>	<b>0.06</b>
<b>L</b>	Face value of equity shares Rs	10.00	10.00	10.00
<b>M</b>	Earning Before Interest, Taxes, Depreciation & Amortization (EBITDA)	<b>2,413.05</b>	<b>519.69</b>	<b>(50.00)</b>
<b>Notes :-</b>				
1)	The ratios have been computed in the following manner :			
a)	Basic and Diluted earnings per share	$\frac{\text{Restated Standalone Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$		
b)	Return on net worth (%) =	$\frac{\text{Restated Standalone Profit after tax}}{\text{Restated Standalone Net worth as at period/ year end}}$		
c)	Net asset value per share	$\frac{\text{Restated Standalone Net Worth as at period/ year end}}{\text{Number of shares outstanding at the end of the period/year}}$		



<b>Annexure 23: Restated Standalone Statement of Accounting and Other Ratios</b>				
(Amount in ₹ '000)				
Sr. no.	Particulars	Period Ended 31 <sup>st</sup> December, 2022	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
		Total number of equity shares as at period/ year end		
2)	The figures disclosed above are based on the Restated Standalone Financial Information of the Company.			
3)	Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.			
4)	Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Standalone Summary Statement of Profit and Loss).			
5)	The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company in Annexure 4.			
6)	Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) =Profit before Tax + Finance Cost +Depreciation-Other Income			

<b>Annexure 24: Statement of Tax Shelter</b>			
(Amount in ₹ '000)			
Particulars	Period Ended 31 <sup>st</sup> December, 2022	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>Profit before tax, as Restated Standalone (A)</b>	2,366.18	511.34	(50.00)
Tax rate (%) (B)	26.00%	26.00%	26.00%
<b>Tax expense at nominal rate [C= (A*B)]</b>	<b>615.21</b>	<b>132.95</b>	<b>(13.00)</b>
<b>Adjustments</b>			
<b>Permanent differences</b>	-	-	-
Other Expenses			
Adjustment on account of Section 36 & 37 under Income tax Act, 1961	-	-	-
Addition under section 28 to 44DA	-	-	-
<b>Total permanent differences (D)</b>	-	-	-
<b>Timing differences</b>			
Depreciation difference as per books and as per tax	(39.30)	(4.35)	-
Adjustment on account of Section 43B under Income tax Act, 1961	-	-	-
Adjustment on account of Section 28 to 44 DA Income tax Act, 1961	-	-	-
Other Additions	(3.75)	(5.00)	25.00
<b>Total timing differences (E)</b>	<b>(43.05)</b>	<b>(9.35)</b>	<b>25.00</b>
<b>Deduction under Chapter VI-A (F)</b>			
<b>Net adjustments(G)=(A+D+E+F)</b>	2,323.13	501.99	(25.00)
<b>Brought Forward Loss (ab)</b>	-	(25.00)	-
<b>Brought Forward Loss (Utilisation)(ac)</b>	-	25.00	-
<b>Carried Forward Loss</b>	-	-	(25.00)
<b>Net Adjustment After Loss Utilisation (H)= (G)+(ac)</b>	2,323.13	476.99	-
<b>Tax impact of adjustments (I)=(H)*(B)</b>	-	-	-
<b>Tax expenses (Normal Tax Liability) (I)=(H)*(B) (derived)</b>	604.01	124.02	-
<b>Minimum Alternate Tax (MAT)</b>			
<b>Income as per MAT **</b>	<b>2,366.18</b>	<b>511.34</b>	<b>(50.00)</b>
<b>Less :- Business Loss or Unabsorbed Depre w.e. Lower</b>	-	-	-
<b>Net Income as per MAT</b>	<b>2,366.18</b>	<b>511.34</b>	<b>(50.00)</b>
<b>Tax as per MAT</b>	<b>394.92</b>	<b>85.34</b>	-

<b>Annexure 24: Statement of Tax Shelter</b>			
(Amount in ₹ '000)			
Particulars	Period Ended 31st December, 2022	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Tax Expenses= MAT or Normal Provision of Income Tax w.e. is higher</b>	<b>604.01</b>	<b>124.02</b>	-
<b>Tax paid as per 'MAT' or 'Normal' provision</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>
<b>Notes:</b>			
1. The above statement is in accordance with Accounting Standard - 22, 'Accounting for Taxes on Income' prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 (as amended).			
2. The permanent/timing differences for the years 31 March 2020, 2021 and 2022 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any.			
3. Figures for the Period ended 31st December, 2022 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2023-2024 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2023-2024			
4. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.			
5. The above statement should be read with the Statement of Notes to the Financial Information of the Company.			

<b>Annexure 25: Restated Standalone Statement of Capitalisation</b>		
(Amount in ₹ '000)		
Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short- term	97.05	97.05
Long- term (A)	-	-
<b>Total Borrowings (B)</b>	<b>97.05</b>	<b>97.05</b>
<b>Shareholders' funds</b>		
Share capital	3,073.32	[•]
Reserves and surplus	13,390.99	[•]
<b>Total Shareholders' funds (C)</b>	<b>16,464.31</b>	-
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	-	[•]
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>0.01</b>	[•]
* equity= total shareholders' funds		
<b>Notes:</b>		
1. Short-term borrowings imply borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in Short term borrowing).		
2. The above ratios have been computed on the basis of the Restated Standalone Summary Statement of Assets and Liabilities of the Company.		
3. The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company		
4. As at 01-01-2023 Company has Declared and allotted Bonus Share in the ratio of 5:2 (7,68,330 Number of Bonus Equity Shares) By way of Special Resolution passed at Extra Ordinary General Meeting.		

**Annexure 26: Restated Standalone Statement of Related Party Transaction**

(Amount in ₹ '000)

Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 31.12.2022 Payable/(Receivable)	Amount of Transaction debited in 1-4-22 to 31-12-22	Amount of Transaction credited in 1-4-22 to 31-12-22	Amount outstanding as on 31.03.2022 Payable/(Receivable)	Amount of Transaction debited in 2021-22	Amount of Transaction credited in 2021-22	Amount outstanding as on 31.03.2021 Payable/(Receivable)	Amount of Transaction debited in 2020-21	Amount of Transaction credited in 2020-21	Amount outstanding as on 31.03.2020 Payable/(Receivable)	Amount of Transaction debited in 2019-20	Amount of Transaction credited in 2019-20	Amount outstanding as on 31.03.2019 Payable/(Receivable)	
Sejalben Satish Kansodariya	Director	Unsecured Loan	-	3,516.00	3,516.00	-	-	-	-	-	-	-	-	-	-	
		Share Capital including Share Premium	3,546.00	-	3,516.00	30.00	-	30.00	-	-	-	-	-	-	-	-
Satish K Kansodariya	Managing Director	Unsecured Loan	6.03	6,343.47	6,349.50	-	-	-	-	-	-	-	-	-	-	
		Share Capital including Share Premium	6,219.97	-	6,199.97	20.00	30.00	-	50.00	-	50.00	-	-	-	-	-
		Reimbursement of Expense	-	-	-	-	1.00	1.00	-	-	-	-	-	-	-	-
Rajeshbhai Labhubhai Mer	Whole time Director	Unsecured Loan	91.02	3,350.98	3,442.00	-	-	-	-	-	-	-	-	-	-	
		Share Capital including Share Premium	3,085.97	-	3,055.97	30.00	-	30.00	-	-	-	-	-	-	-	-
Jagrutiben Rajeshbhai Mer	Relative of Director	Unsecured Loan	-	1,500.00	1,500.00	-	-	-	-	-	-	-	-	-	-	
		Share Capital including Share Premium	1,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
Vipulbhai Karmshibhai Anghan	Director	Share Capital including Share Premium	20.00	-	-	20.00	-	-	50.00	-	50.00	-	-	-	-	

<b>Annexure 27: Additional Notes</b>	
A.	The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
B.	The Company does not have any investment property.
C.	The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.
D.	There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31st December 2022: <ul style="list-style-type: none"> <li>i. repayable on demand; or,</li> <li>ii. without specifying any terms or period of repayment.</li> </ul>
E.	The company is not declared willful defaulter by any bank or financial institution or other lender.
F.	The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
G.	No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
H.	The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
I.	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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
J.	No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.
K.	The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
L.	The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the year and hence reporting under this clause is not applicable.

<b>Annexure 28: Restated Standalone Statement of Ratios</b>					
<b>(Amount in ₹ '000)</b>					
Sr No	Particulars	As at 31st December, 2022	As at 31st March, 2022	As at 31st March, 2021	% Change
			1	2	(1-2)/(2)
1	<b>Current Ratio (in times)</b>				
	Current Assets	17727.44	1451.59	75.00	
	Current Liabilities	1600.28	1061.31	25.00	
	<b>Current Ratio</b>	<b>11.08</b>	<b>1.37</b>	<b>3.00</b>	<b>-54.41%</b>
2	<b>Debt-Equity Ratio (in times)</b>				
	Total Debts	97.05	NA	NA	
	Share Holder's Equity + RS	16464.31			
	<b>Debt-Equity Ratio</b>	<b>0.01</b>			
3	<b>Debt Service Coverage Ratio (in times)</b>				
	Earning available for debt service	NA	NA	NA	
	Interest + Instalment				
	<b>Debt Service Coverage Ratio</b>				
4	<b>Return on Equity Ratio (in %)</b>				
	Net After Tax	1750.97	391.39	-50.00	
	Share Holder's Equity	8452.85	245.70	25.00	
	<b>Return on Equity Ratio</b>	<b>20.71%</b>	<b>159.30%</b>	<b>-200.00%</b>	<b>-179.65%</b>

Annexure 28: Restated Standalone Statement of Ratios					
(Amount in ₹ '000)					
Sr No	Particulars	As at 31st December, 2022	As at 31st March, 2022	As at 31st March, 2021	% Change
			1	2	(1-2)/(2)
5	<b>Inventory Turnover Ratio (in times)</b>				
	Cost of Goods Sold	7703.83	NA	NA	
	Average Inventory	4617.99			
	<b>Inventory turnover ratio</b>	<b>1.67</b>			
6	<b>Trade Receivables Turnover Ratio (in times)</b>				
	Net Credit Sales	10558.97	1625.78	NA	
	Average Receivable	3194.35	5.43		
	<b>Trade Receivables Turnover Ratio</b>	<b>3.31</b>	<b>299.68</b>		
7	<b>Trade Payables Turnover Ratio (In Times)</b>				
	Credit Purchase	15737.56	1015.42	NA	
	Average Payable	814.11	464.15		
	<b>Trade Payables Turnover Ratio</b>	<b>19.33</b>	<b>2.19</b>		
8	<b>Net Capital Turnover Ratio (In Times)</b>				
	Revenue from Operations	10558.97	1625.78	NA	
	Net Working Capital	16127.16	390.28		
	<b>Net capital turnover ratio</b>	<b>0.65</b>	<b>4.17</b>		
9	<b>Net Profit ratio (in %)</b>				
	Net Profit	1750.97	391.39	NA	
	Sales	10558.97	1625.78		
	<b>Net Profit ratio</b>	<b>16.58%</b>	<b>24.07%</b>		
10	<b>Return on Capital employed (in %)</b>				
	Earning Before Interest and Taxes	2383.49	513.36	-50.00	
	Capital Employed	16464.31	441.39	50.00	
	<b>Return on Capital employed</b>	<b>14.48%</b>	<b>116.30%</b>	<b>-100.00%</b>	<b>-216.30%</b>
11	<b>Return on investment. (in %)</b>				
	Return	NA	NA	NA	
	Investments				
	<b>Return on investment</b>				
<b>Notes:</b>					
1. Reason for the ratios are not disclosed wrt comparative between FY 21-22 & Up to 31.12.2022 as data provided of previous year is year on year basis and Current Period Data provided is of periodically i.e. nine months.					
2. Reason for the ratios are not disclosed wrt comparative between FY 20-21 & FY 21-22 as company is incorporated as at 05th March 2021 hence due to incomparable data it is not possible to identify the reason of the same					

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial year ended March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled 'Financial Statements' and the chapter titled 'Financial Information' on page 126 of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled 'Risk Factors' on page 27 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled 'Forward-Looking Statements' on page 18 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to 'we', 'us' or 'our' refers to Shoora Designs Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Year ended on 31<sup>st</sup> March 2022 included in this Draft Prospectus beginning on page 130 of this Draft Prospectus.*

### **BUSINESS OVERVIEW -**

Our Company was incorporated in the year 2021 and was engaged in the business of 'Textiles & Apparel' Industry and 'Apparel & Accessories'. However, thereafter in the following year, the object of the Company was amended to manufacturing and trading of diamonds and jewelleryes.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD**

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last audited financial statements i.e., December 31<sup>st</sup>, 2022 as disclosed in this Draft Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- In the Financial Year of 2023, vide an Extraordinary General Meeting held on December 15, 2022, the business of M/s Rajeshbhai Labhubhai Mer, a sole proprietorship concern was taken over.
- Change in status of the Company from private limited to public limited vide special resolution passed at the Extra- Ordinary General Meeting held on January 02, 2023.
- The Board of Directors of our Company have approved raising of funds by way of Initial Public Offering vide its resolution dated January 16, 2023;
- The Board of Directors have decided to get their Equity Shares listed on SME Platform of BSE Limited ('BSE SME') of and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its board meeting held on January 16, 2023, subject to the approval of the shareholders and such other authorities as may be necessary;
- 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 January 18, 2023 authorized the proposed Initial Public Offering;

### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled '*Risk Factors*' beginning on page 27 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Government support and spending in the Diamond industry;
- Failure to adapt to the changing needs of diamond industry may adversely affect our business and financial condition;
- Fluctuation in operating cost;
- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance;
- Company's ability to adopt the changing technology;

- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Significant developments in India's economic and fiscal policies;
- Volatility in the Indian and global capital market;
- The occurrence of natural disasters or calamities;

## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the stub period ended on December 31, 2022 & financial years ended March 31, 2022, March 31, 2021.

## OVERVIEW OF REVENUE & EXPENDITURE

(Amount in Rs '000)

Particulars	31-12-22	% of Total Income	31-03-22	% of Total Income	31-03-21	% of Total Income
Revenue from Operations	10,558.97	99.99%	1,625.77	100.00%	0	0%
Other Income	1.36	0.01%	-	0.00%	0	0%
<b>Total Income</b>	<b>10,560.33</b>	<b>100.00%</b>	<b>1,625.77</b>	<b>100.00%</b>	<b>0</b>	<b>0%</b>
Purchase of Stock In Trade	15,737.56	149.03%	1,015.42	62.46%	0	0%
Changes in Inventories of Finished Goods, WIP and Traded Goods	(9,235.98)	-87.46%	-	0.00%	0	0%
Employee Benefits Expense	230.00	2.18%	-	0.00%	0	0%
Finance Cost	17.16	0.16%	2.02	0.12%	0	0%
Depreciation and amortization expenses	30.92	0.29%	6.33	0.39%	0	0%
Other Expenses	1,412.37	13.37%	90.67	5.58%	50	0%
<b>Total Expenditure</b>	<b>8,192.03</b>	<b>77.57%</b>	<b>1,114.44</b>	<b>68.55%</b>	<b>50</b>	<b>0%</b>
<b>Profit before exceptional and Extraordinary Items &amp; Tax</b>	<b>2,368.30</b>	<b>22.43%</b>	<b>511.33</b>	<b>31.45%</b>	<b>-50</b>	<b>0%</b>
Exceptional/Prior Period Items	-	-	-	-	-	0%
<b>Profit Before Tax</b>	<b>2,368.30</b>	<b>22.43%</b>	<b>511.33</b>	<b>31.45%</b>	<b>-50</b>	<b>0%</b>
Tax Expense:					0	0%
Current tax	604.57	5.72%	124.01	7.63%	0	0%
MAT Entitlement	-	-	-	0.00%	0	0%
Deferred tax (credit)/charge	11.2	0.11%	(4.07)	-0.25%	0	0%
<b>Total Tax Expenses</b>	<b>615.76</b>	<b>5.83%</b>	<b>119.94</b>	<b>7.38%</b>	<b>0</b>	<b>0%</b>
<b>Profit for the period / year</b>	<b>1752.54</b>	<b>16.60%</b>	<b>391.39</b>	<b>24.07%</b>	<b>-50</b>	<b>0%</b>
<b>Earnings per equity share of ₹10/- each (in ₹)</b>						
a) Basic/Diluted EPS	<b>156.34</b>	-	<b>39.14</b>	-	<b>-5</b>	-
b) Adjusted/Diluted EPS	<b>2.25</b>	-	<b>0.50</b>	-	<b>-0.06</b>	-

### Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled '*Financial Information*' beginning on page 126 of the Draft Prospectus.

### Overview of Revenue & Expenditure

Since our company was incorporated on March 05, 2021, no financial information is available for the Financial Year ending March 31, 2021.

Our revenue and expenses are reported in the following manner:



## Revenues

### ◆ Revenue of operations

Our Revenue from operations is from revenue generated from polishing and sale of diamonds. Our revenue from operations accounted for 99.99% and 100% as a percentage of our total income period ended December 31, 2022 and for the Financial Year ended March 31, 2022. No revenue was generated for period ended March 31<sup>st</sup>, 2021 as the Company was in existence for 5 days only during the said financial year.

### ◆ Other Income

Our other income for the period ended on December 31, 2022 was 1.36 Thousands which accounted for 0.01% of our total income. There was no other income during the financial year ended March 31<sup>st</sup>, 2022 and March 31<sup>st</sup>, 2021. Since, the Company was incorporated on March 5<sup>th</sup>, 2021, there are no figures available for period ended March 31<sup>st</sup>, 2020.

Summary of our revenues is as follows:

Particulars	For the month ended December 31, 2022	(Amount in ₹ '000)	
		For the period ended March 31, 2022	2021
<b>Income</b>			
Revenue from operations	10,558.97	1625.77	0
As a % of total Income	99.99%	100.00%	0
Other Income	1.36	-	0
As a % of Total Income	0.01%	0.00%	0
<b>Total Revenue</b>	<b>10560.33</b>	<b>1625.77</b>	<b>0</b>

## Expenditure

Our total expenditure primarily consists of employee benefit expenses, purchase of stock in trade, and other expenses.

### ◆ Purchase of Stock in Trade

The expenditure incurred on purchase of stock in trade stood at 15,737.56 Thousands for period ended December 31<sup>st</sup>, 2022 and 1015.42 Thousands for year ended March 31<sup>st</sup>, 2022 which was 149.03% and 62.46% of our total income for period ended December 31<sup>st</sup>, 2022 and March 31<sup>st</sup>, 2022 respectively. There was no purchase of Stock in Trade for period ended March 31<sup>st</sup>, 2021. Our Stock in Trade includes Purchase of raw material for the purpose of trading of diamonds. Since, the Company was incorporated on March 5<sup>th</sup>, 2021 there are no figures available for period ended March 31<sup>st</sup>, 2020.

### ◆ Change in Inventories of Finished Goods, WIP and Traded Goods

The Change in Inventories of Finished Goods, WIP and Traded Goods for the period ended on 31<sup>st</sup> December 2022 amounts to ₹(9235.98). There were no changes in inventory for year ended March 31<sup>st</sup>, 2022 and March 31<sup>st</sup>, 2021. Since the Company was incorporated on March 5<sup>th</sup>, 2021 there are no figures available for period ended March 31<sup>st</sup>, 2020.

### ◆ Employment Benefit Expenses

Expenditure incurred on Employee Benefit Expenses for the month ended on 31<sup>st</sup> December, 2022 amounted to ₹230.00 Thousands. Overall employee cost was increased due to hiring of employees on the payroll of the company.

### ◆ Depreciation and amortisation

Depreciation and amortisation charged for the period ended on 31<sup>st</sup> December, 2022 amounted to ₹30.92 Thousands constituting to 0.29% of total income and ₹6.33 Thousands for period ended March 31<sup>st</sup>, 2022 constituting to 0.39%. No depreciation and amortization was charged for year ended March 31<sup>st</sup>, 2021. Since, the Company was incorporated on March 5<sup>th</sup>, 2021 there are no figures available for period ended March 31<sup>st</sup>, 2020.



#### ◆ Finance Costs

Finance Costs for the month ended on December 31<sup>st</sup>, 2022 amounted to ₹17.16 Thousands constituting to 0.16% of our total income for period ended December 31<sup>st</sup>, 2022 and 2.02 Thousands for year ended March 31<sup>st</sup>, 2022 constituting to 0.12% of our total income for year ended March 31<sup>st</sup>, 2022. There were no finance cost for year ended March 31<sup>st</sup>, 2021. Since, the Company was incorporated on March 5<sup>th</sup>, 2021 there are no figures available for period ended March 31<sup>st</sup>, 2020. Our finance costs mainly include finance charges and interest

#### ◆ Other Expenses

Other Expenses for the period ended on December 31<sup>st</sup>, 2022 amounted to ₹1412.37 Thousands constituting to 13.37% of our total income, ₹90.67 Thousands for year ended March 31<sup>st</sup>, 2022 constituting to 5.58% of our total income and ₹50 Thousands for year ended March 31<sup>st</sup>, 2021 constituting to 0% of our total income. Since the Company was incorporated on March 5th, 2021 there are no figures available for period ended March 31st, 2020. It includes Consultancy Fees, Printing and Stationery Expenses, Roc Challan Charges, Audit Expense, Legal & Corporate Fee, and others.

(Amount in ₹ '000)

Particulars	For the month ended December 31, 2022	For the period ended March 31,	
		2022	2021
<b>Expenditure</b>			
Purchase of Stock in Trade	15,737.56	1,015.42	0.00
As a % of total Income	149.03%	62.46%	0.00%
Changes in inventories of Finished Goods, WIP and Traded Goods	(9235.98)	0.00	0.00
As a % of Total Income	(87.46%)	0.00%	0.00%
Employee Benefit Expenses	230.00	0.00	0.00
As a % of Total Income	2.18%	0.00%	0.00%
Depreciation and amortisation Expense	30.92	6.33	0.00
As a % of Total Income	0.29%	0.39%	0.00%
Other Expenses	1,412.37	90.67	50
As a % of Total Income	13.37%	5.58%	0.00%
<b>Total Expenditure</b>	<b>8,192.03</b>	<b>1,114.44</b>	<b>50</b>
As a % of Total Income	<b>77.57%</b>	<b>68.55%</b>	<b>0.00%</b>

#### FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE PERIOD ENDED DECEMBER 31, 2021

##### Income

Total revenue has increased by ₹8933.20 Thousands and 649.48% from ₹1625.77 Thousands in the fiscal year ended on March 31, 2022 to ₹10558.97 Thousands for the period ended on December 31, 2022. The increase in revenue was on account of increase in volume of operation and sale of polished diamonds.

##### Expenditure

Total Expenditure increased by ₹7077.59 Thousands and 735.08%, from ₹1,114.44 Thousands in the fiscal year ended on March 31, 2022 to ₹8192.03 Thousands for the period ended December 31, 2022. Overall expenditure was increased mainly due to increase in volume of operations and expansion of the Company.

##### Purchase of Stock In Trade

Purchase of Stock In Trade increased by ₹14,722.14 Thousands and 1549.86% from ₹1015.42 Thousands in the fiscal year ended March 31, 2022 to ₹15,737.56 Thousands for the period ended on December 31, 2022. Purchase of Stock in Trade was increased due to increase in volume of operation.

##### Change in Inventories of Finished Goods, WIP and Traded Goods

The change in Inventories of Finished Goods, WIP and Traded Goods stood Nil for the fiscal year ended on 31<sup>st</sup> March 2022 and has been increased to ₹(9235.98) Thousands for the period ended on December 31, 2022.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value increased by ₹230 Thousands, from Nil in the fiscal year ended March 31, 2022 to ₹230 Thousands for the period ended December 31, 2022. Overall employee cost was increased due to hiring of employees on the payroll of the company.

### **Finance Costs**

Finance Costs in terms of value and percentage increased by ₹15.14 Thousands and 849.50% from ₹2.02 Thousands in the fiscal year ended March 31, 2022 to ₹17.16 Thousands for the period ended on December 31, 2022. Finance Costs was increased mainly due to higher interest outgo on increased borrowings.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value increased by ₹24.59 Thousands and in terms of percentage increased by 488.47% from ₹6.33 Thousand in the fiscal year ended March 31, 2022 to ₹30.92 Thousands for the period ended December 31, 2022. Increase in depreciation is due to increase in assets of the company and is general in nature.

### **Other Expenses**

Other Direct Expenses in terms of value and percentage increased by ₹1321.70 Thousands and 1557.70% from ₹90.67 Thousands in the fiscal year ended March 31, 2022 to ₹1,412.37 Thousands for the period ended December 31, 2022. Other Direct Expenses was increased due to increase in volume of operation and consultancy received by the Company.

### **Profit before exceptional and Extraordinary Items and Tax**

Profit / Loss before exceptional and Extraordinary Items and Tax has increased by ₹1856.97 Thousands in terms of value from profit of ₹511.33 Thousands in the fiscal year ended March 31, 2022 to Profit of ₹2368.30 Thousands for the year ended December 31, 2022. Profit before exceptional and Extraordinary Items and Tax was increased due to increase in revenue from operations and products offered by the Company.

### **Profit before Tax**

Profit / Loss before Tax has increased by ₹1856.97 in terms of value from profit of ₹511.33 Thousands in the fiscal year ended March 31, 2022 to Profit of ₹2368.30 Thousands for the period ended December 31, 2022. Profit before Tax was increased due to increase in revenue from operations and products offered by the Company.

### **Tax Expenses**

Current tax for the fiscal year ended March 31, 2022 amounted to ₹124 Thousands and Deferred Tax for the same year was ₹(4.07) Thousands which was increased by ₹480.57 Thousands and 15.27 Thousand in terms of value respectively. The amount of current tax for the period ended on December 31, 2022 amounted to ₹604.57 Thousands and Deferred Tax amounted to ₹11.2 Thousands.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased from profit of ₹391.39 Thousands in the fiscal year ended March 31, 2022 to profit of ₹1752.54 Thousands for period ended December 31, 2022. Net profit was increased due to increase in revenue from operations and increase in operation and products offered by the Company.

### **FISCAL YEAR ENDED MARCH 2021 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

The Company was incorporated on March 05, 2021 and since no business operations had commenced, no financial information for the financial year 2021 is available. Since no information is available, the said disclosure is not applicable.

## **Income**

Total revenue has increased by ₹1625.77 Thousands and 162577.00 % from Nil in the fiscal year ended on March 31, 2021 to ₹1625.77 Thousands for the year ended on March 31, 2022. The increase in revenue was on account of increase in operation and new products offered and manufactured by the Company.

## **Expenditure**

Total Expenditure increased by ₹1064.44 Thousands and 2228.90%, from ₹50 Thousand in the fiscal year ended on March 31, 2021 to ₹1,114.44 Thousands for the year ended March 31<sup>st</sup>, 2022. Overall expenditure was increased mainly due to increase in volume of operations and new products offered and manufactured by the Company.

## **Other Expenses**

Other Direct Expenses in terms of value and percentage increased by ₹40.67 Thousands and 50000.00% from ₹50 Thousands in the fiscal year ended March 31, 2021 to ₹90.67 Thousands for the Year ended March 31, 2022. Other Direct Expenses was increased due to increase in volume of operation by the Company.

## **Profit before exceptional and Extraordinary Items and Tax**

Profit / Loss before exceptional and Extraordinary Items and Tax has increased from loss of ₹50.00 Thousands in the fiscal year ended March 31, 2021 to Profit of ₹511.33 Thousands for the year ended March 31, 2022. Profit before exceptional and Extraordinary Items and Tax was increased due to increase in revenue from operations and new products offered and manufactured by the Company.

## **Profit before Tax**

Profit / Loss before Tax has increased from loss of ₹50.00 Thousand in the fiscal year ended March 31, 2021 to Profit of ₹511.33 Thousands for the year ended March 31, 2022. Profit before Tax was increased due to increase in revenue from operations by the Company.

## **Net Profit after Tax and Extraordinary items**

Net Profit has increased from loss of ₹50.00 Thousand in the fiscal year ended March 31, 2021 to profit of ₹391.39 Thousands for the year ended March 31, 2022. Net profit was increased due to increase in revenue from operations and increase in operation of the Company.

## **QUANTITATIVE AND QUALITATIVE DISCLOSURES**

### **Unusual or infrequent events or transactions.**

Except as described in this Draft Prospectus, during the period under review there have been no events or transactions, which in our best judgement would consider unusual or infrequent on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

### **Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in 'Significant Factors affecting our Results of Operations' and the uncertainties described in the section entitled '**Risk Factors**' beginning on page 27 of the Draft Prospectus.

To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes that could materially affect or are likely to affect income from continuing operations.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Except as mentioned above and other than as described in this Draft Prospectus, particularly in the section titled '**Risk Factors**' and this '**Management's Discussion and Analysis of Financial Position and Results of Operations**' beginning on page 27 and 154, respectively of this Draft Prospectus, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our sales, revenues or income from continuing operations.

**Future relationship between cost and income**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies.

**Increase in net sales or revenue and Introduction of new products or services or increased in sales prices.**

Increase in revenue are by and large linked to increase in volume of business and inception of new varieties of products.

**Total Turnover of each major industry segment in which Company operated**

Relevant Industry data, as available, has been included in the section titled '*Industry Overview*' beginning on page 82 of the Draft Prospectus.

**Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and segment, except otherwise disclosed in this Draft Prospectus.

**Seasonality of Business**

Our Company's business is not seasonal in nature.

**Competitive conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titled '*Our Business*' beginning on page 90 of this Draft Prospectus.

## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoters in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoters and Group Company.

Our Board, in its meeting held on February 06, 2023, determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Group Company if: (a) where the aggregate amount involved, in such individual litigation exceeds 10% of the profit after tax of our Company as per the last audited financial statements, or (b) where the decision in one litigation is likely to affect the decision in similar litigation, even though the amount involved in such single litigation individually may not exceed 10% of the profit after tax of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 10% of profit after tax of the Company; and (c) Litigation whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committee will be considered as material litigation (‘Material Litigation’).

Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding 5% of the trade payables for the last audited financial statements, as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on February 06, 2023. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (‘MSME’), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

#### I. CONTINGENT LIABILITIES OF OUR COMPANY

Except the following our Company has no Contingent Liability as on March 31, 2022:

		Amount (in ‘000)
Sr. No.	Particulars	Amount
1.	Income Tax Demand/Notices before CIT Appeals/TDS	Nil
2.	Bank Guarantee/Corporate Guarantee	Nil
<b>Total</b>		Nil

#### II. LITIGATION INVOLVING OUR COMPANY

##### A. CASES FILED AGAINST THE COMPANY

- Litigation Involving Criminal Law  
Nil
- Litigation Involving Tax Liabilities  
Nil
- Litigation Involving Actions by Statutory/Regulatory Authorities  
Nil
- Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.  
Nil
- Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company)

Nil

**B. CASES FILED BY THE COMPANY**

1. Litigation Involving Criminal Laws

Nil

2. Litigation Involving Tax Liabilities

Nil

3. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company)

Nil

**III. OUTSTANDING LITIGATION RELATING TO OUR PROMOTERS**

**A. CASES FILED AGAINST OUR PROMOTERS**

1. Litigation Involving Criminal Laws

Nil

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Nil

3. Litigation involving Tax Liabilities

Nil

4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.

Nil

5. Other Pending Litigation (as per policy of materiality approved by the Board of Directors of the company)

Nil

**B. CASES FILED BY OUR PROMOTERS**

1. Litigation Involving Criminal Laws

Nil

2. Litigation involving Tax Liabilities

Nil

3. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company)

Nil

**IV. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS OF OUR COMPANY)**

**A. Litigation filed against our Directors**

1. Litigation Involving Criminal Laws

Nil

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Nil

3. Litigation involving Tax Liabilities

a. Except the following, our director has not received any demand notices from the Income Tax Authority:

						Amount (in ₹)
Sr. No.	Name of the Director	Section Code	Date of demand Raised	Demand Reference No.	Assessment Year	Outstanding Demand Amount
1.	Sejalben Satish Kansodariya	U/s 143(1)(a)	05.10.2016	2016201537042090415T	2015	500
		U/s 143(1)(a)	13.06.2018	2018201637019287984T	2016	21,840
<b>Total</b>						<b>22,340</b>

b. Except the following, there are no e-proceedings showing on the website of Income Tax against our director of the Company, the amount has not been crystallized yet:

Sr. No.	Name of the Director	Defective Notice	Return Acknowledgement No.	Assessment Year	Status
1.	Satish K Kansodariya	U/s 139(9)	511376541171016	2016-17	Pending
		U/s 139(9)	522784790250315	2014-15	Pending
		U/s 142(1)	-	2017-18	Open
2.	Sejalben Satish Kansodariya	U/s 142(1)	-	2017-18	Open

4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action

Nil

5. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company)

Nil

**B. Litigation filed by our Directors**

1. Litigation involving Criminal Law

Nil

2. Litigation involving Tax Liabilities

Nil

3. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company)

Nil

## V. LITIGATION INVOLVING OUR GROUP COMPANIES

As on filing this Draft Prospectus, our Company has no Group Companies.

## VI. LITIGATION INVOLVING OUR SUBSIDIARY COMPANIES

As on filing this Draft Prospectus, our Company has no Subsidiary Companies.

## VII. OUTSTANDING DUES TO CREDITORS

Our Board has, pursuant to its resolution dated February 06, 2023, approved that four (4) creditors of our Company to whom the amount due by our Company exceeds ₹0.46 lakh (Approx), *i.e.*, 5% of trade payables of our Company as of March 31, 2022 as per the Restated Financial Information of our Company shall be considered 'Material' creditors of our Company.

There are no outstanding dues owed to small scale undertakings. However, for all other dues to other creditors as on March 31, 2022, is set out below:

Material Creditors	Number of cases	Amount involved (₹ in lakh)
Small scale undertakings	-	Nil
Other creditors	4	0.92
<b>Total</b>		<b>0.92</b>

The details pertaining to outstanding dues towards our creditors are available on the website of our Company at [www.shooradesigns.com](http://www.shooradesigns.com). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.shooradesigns.com](http://www.shooradesigns.com), would be doing so at their own risk.

## VIII. MATERIAL DEVELOPMENTS SINCE MARCH 31, 2022

Except as stated below and other than as disclosed under section titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 154 of this Draft Prospectus, in the opinion of the Board, there has not arisen, since the date of the last balance sheet included in this Draft Prospectus, any circumstance that materially and adversely affects or is likely to affect the trading or profitability of our Company taken as a whole or the value of our consolidated assets or our ability to pay our liabilities over the next twelve (12) months.



## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and various other government agencies/ regulatory authorities/ certification bodies required to undertake this issue and to continue our present 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 below 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.

Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus. For details in connection with the regulatory and legal framework within which we operate, see the section titled '*Key Industry Regulations and Policies*' at page 95 of this Draft Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

### I. APPROVALS FOR THE ISSUE

#### A. Corporate Approvals

1. 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 January 16, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1) (c) of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held January 18, 2023, authorized the Issue.

#### B. Approval from the Stock Exchange

In-principle approval dated [●] from stock exchange for using the name of the Exchange in its offer documents for listing of the Equity Shares issued by our Company pursuant to the Issue.

#### C. Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated January 18, 2023, with the National Securities Depository Limited ('NSDL') and the Registrar and Transfer Agent, who in this case is KFin Technologies Limited for the dematerialization of its Equity Shares.
2. Similarly, the Company has also entered into an agreement dated January 13, 2023 with the Central Depository Services (India) Limited ('CDSL') and the Registrar and Transfer Agent, who in this case is KFin Technologies Limited for the dematerialization of its Equity Shares.
3. The International Securities Identification Number (ISIN) of our Company is INE00JZ01019.

### II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

- A. Certificate of Incorporation dated March 05, 2021, issued by the Registrar of Companies, Ahmedabad in the name of 'Shoora Designs Private Limited' with registration number U74110GJ2021PTC120894.
- B. Certificate of Incorporation dated January 04, 2023, issued by the Registrar of Companies, Ahmedabad in pursuant to conversion from 'Shoora Designs Private Limited' to 'Shoora Designs Limited'

C. The Corporate Identification Number (CIN) of our Company is U74110GJ2021PLC120894.

### III. GENERAL APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

#### A. BUSINESS AND INDUSTRY SPECIFIC APPROVALS

Sr. No.	Description	Applicable laws	Issued By	Registration/Application Number	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of the Company in the name of 'Shoora Designs Limited'	The Companies Act, 2013	Deputy Registrar of Companies	U74110GJ2021PLC120894	January 04, 2023	Valid until cancellation
2.	Udyog Aadhaar	Ministry of Micro, Small and Medium Enterprises	Government of India	*UDYAM-GJ-22-0182140	September 06, 2022	Valid until cancellation
3.	Import Export Code (IEC)	The Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade	ABFCS6169M	August 01, 2022	Valid until cancellation
4.	BIS Registration Certificate	The Bureau of Indian Standards Act, 2006	Bureau of Indian Standard	HM/C-7190181919	December 08, 2022	NA


\*Udyog registration has been taken by the director of our Company (Mr. Rajeshbhai Labhubhai Mer) in the name of M/s. Rajeshbhai Labhubhai Mer(firm) as a proprietor, which has been later acquired by our company.

#### B. TAXATION LAWS

Sr. No.	Description	Applicable laws	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, Government of India	ABFCS6169M	March 03, 2021	Valid until cancellation
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	Income Tax Department	SRTS25130A	March 03, 2021	Valid until cancellation
3.	Goods & Service Tax Registration Certificate	Central Goods and Service Tax Act 2017	Government of India	24ABFCS6169M1ZS	September 06, 2021	Valid until cancellation

#### C. INTELLECTUAL PROPERTY

As on date of the Draft Prospectus, the Company has the following Trademark pending application:

Sr No.	Brand Name/Logo Trademark	Class	Application No.	Nature of the Trademark	Application Date	Status
1.		14	*5542302	Device	July 23, 2022	Marked for Exam

*\*The trademark has been applied by Mr. Satish K Kansodariya in the name of M/s. Satish Kalubhai Kansodariya as a Proprietor.*

**D. OTHER CERTIFICATE/RECOGNISATION RECEIVED BY OUR COMPANY**

Certificate/Recognition	Authority	Certificate Number	Date of Issue	Valid Up to
ISO Registration Certificate	Paramount Quality Certification	ISO 9001:2015	July 25, 2022	July 24, 2025
Certificate of Recognition	Department for Promotion of Industry and Internal Trade	DIPP77276	March 31, 2021	March 04, 2031

**E. THE DETAILS OF THE DOMAIN NAME IN THE NAME OF OUR COMPANY:**

Domain name	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
www.shooradesigns.com/	Sponsoring Registrar: GoDaddy.com, LLC IANA ID: 146	February 26, 2021	February 26, 2026

**F. KEY APPROVALS APPLIED FOR BY OUR COMPANY BUT NOT RECEIVED**

Nil

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue in terms of this Draft Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated January 16, 2023 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated January 18, 2023 under Section 62(1)(c) of the Companies Act, 2013.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled '*Government and Other Approvals*' beginning on page 165 of this Draft Prospectus.

Our Company has obtained in-principle approval from the SME platform of the BSE (BSE SME) for using its name in the Draft Prospectus pursuant to an approval letter dated [●], BSE Limited is the Designated Stock Exchange.

### IN-PRINCIPLE LISTING APPROVALS

Our Company has obtained in-principle approval from BSE SME by way of its letter dated [●] to use the name of BSE SME in this Draft Prospectus for listing of its Equity Shares on the BSE SME. BSE SME is the Designated Stock Exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, our Directors, our Promoters, Promoter Group, our Directors or the persons in control of our Company have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

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 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 authority.

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or director.

Further none of our Promoters or Directors has been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### PROHIBITION BY RBI

Neither our Company, nor our Promoters, our Directors, relatives (as per Companies Act, 2013) of the Promoters or the persons in control of our Company have been identified as a wilful defaulter 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 Litigation and Material Developments*' beginning on page 161 of this Draft Prospectus.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ('SBO Rules'), to the extent applicable, as on the date of the Draft Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulation 228 and Regulation 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an 'unlisted issuer' in terms of the SEBI (ICDR) Regulations; and this Issue is an 'Initial Public Issue' in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229 (1) of the SEBI (ICDR) Regulations, and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue paid up Equity Share capital is less than or equal to ₹10.00 Crores and we may hence, issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the 'SME Platform of BSE Limited (BSE SME)').

**We confirm that:**

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue is 100.00% (Hundred Percent) underwritten and shall not be restricted to minimum subscription level. The Lead Manager to the Issue shall underwrite minimum 15.00% (Fifteen Percent) of the total Issue Size. For further details, pertaining to said underwriting please refer to the paragraph titled '*Underwriting*' under the section titled '*General Information*' on page 54 of this Draft Prospectus.

In accordance with Regulation 268 (1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.

We have filed this Draft Prospectus with stock exchange. In accordance with Regulation 246 the SEBI (ICDR), Regulations, the copy of Draft Prospectus shall also be submitted to SEBI. However, SEBI shall not issue any observations on our Draft Prospectus.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Lead Manager to the Issue and Market Maker to ensure compulsory market making for a minimum period of three (3) years from the date of listing of Equity Shares on BSE SME. For further details of the arrangement of market making please refer to the paragraph titled '*Details of the Market Making Arrangements for this Issue*' under the section titled '*General Information*' on page 55 of this Draft Prospectus. The post-issue paid up Equity Share capital of our Company shall not be more than ₹[●] Crore. The post-issue paid-up Equity Share capital of our company shall be ₹[●] Thousands.

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, and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**BSE SME ELIGIBILITY NORMS**

***The company is incorporated under the Companies Act, 2013.***

Our Company was incorporated as 'Shoora Designs Private Limited' pursuant to a Certificate of Incorporation dated March 05, 2021 issued by the Registrar of Companies, Ahmedabad, Gujarat, our Company was then converted into a public limited company pursuant to a Certificate of Incorporation dated January 04, 2023 issued by the Registrar of Companies, Ahmedabad, Gujarat under the provisions of the Companies Act, 2013.

***The post-issue paid-up equity share capital of the company shall not be more than ₹ 25.00 Crore.***

The post-Issue paid-up Equity Share capital of our Company will be pursuant to a Certificate of Incorporation dated March 05, 2021 issued by the Registrar of Companies, Ahmedabad, Gujarat Equity Shares aggregating to ₹ [●] Thousands which is less than ₹25.00 Crores.

***The company should have track record of atleast 3 years.***

The Proprietorship firm which has been taken over by our Company has track record of 3 years.

***Positive Networth***

The Net worth (excluding revaluation reserves) of our Company is positive as per the latest audited financial results and we have a positive cash accrual (earnings before depreciation and tax) from operations for FY 2021-22.

*Net tangible assets shall not be less ₹1.50 crores.*

As on December 31, 2022, the net tangible assets of our Company are ₹164.66 Lakhs. So, the company has fulfilled the criteria of minimum net tangible assets.

*It is mandatory for a company to have a website.*

Our Company has website i.e. [www.shooradesigns.com](http://www.shooradesigns.com)

*It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.*

Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited dated January 13, 2023 and National Securities Depository Limited dated January 18, 2023 for establishing connectivity.

Our Company has not been referred to the Board for Industrial and Financial Reconstruction.

There is no winding up petition against our Company that has been admitted by the Court, nor a liquidator has been appointed of competent jurisdiction against our Company.

There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE SME.

The provisions of Regulation 25 (4), Regulation 25 (5), Regulation 25 (2), Regulation 99, Regulation 4, Regulation 6(1), Regulation 103 and Regulation 47 (2) of SEBI (ICDR) Regulations, 2018 shall not apply to us in this Issue.

We confirm that we comply with all the above requirements/ conditions so as to be eligible to be listed on BSE SME.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations. Further, no exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, with respect to this Issue.

#### **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable, as on the date of the Draft Prospectus

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)/ STOCK EXCHANGE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI/ STOCK EXCHANGE. SEBI/ STOCK EXCHANGE 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 DRAFT PROSPECTUS. THE LEAD MANAGER TO THE ISSUE, EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, FOR THE TIME BEING IN FORCE. 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 DRAFT PROSPECTUS, THE LEAD MANAGER TO THE ISSUE, SWARAJ SHARES AND SECURITIES PRIVATE LIMITED 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 TO THE ISSUE HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 14, 2023 WHICH READS AS FOLLOWS:**

**WE, THE UNDER NOTED LEAD MANAGER TO THE ISSUE TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT 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 DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS ETC FRAMED/ ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT 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, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, 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 DRAFT 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 - NOTED FOR COMPLIANCE;**
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM THE 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 PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS;**
- 6) WE CERTIFY THAT REGULATION 237 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 DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS;**
- 7) WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 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. WE UNDERTAKE THAT AUDITORS'**

**CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. 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 MONIES 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 MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT 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 THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT 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.**
- 11) 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 WHILE MAKING THE ISSUE. - NOTED FOR COMPLIANCE;**
- 12) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC;**
- 13) 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 THIS DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY;**
- 14) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.;**
- 15) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER TO THE ISSUE IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**



- 1) **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY;**
- 2) **WE CONFIRM THAT THE DRAFT 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;**
- 3) **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE DRAFT 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 OFFERED 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;**
- 4) **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE ISSUER- NOTED FOR COMPLIANCE;**
- 5) **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND REGULATION 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, HAVE BEEN MADE- NOTED FOR COMPLIANCE;**
- 6) **WE CONFIRM THAT 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 THE FILING OF THE DRAFT PROSPECTUS WITH THE REGISTRAR OF COMPANIES AND WITH THE SME EXCHANGE;**

The filing of the Draft Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/ 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 to the Issue any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Ahmedabad, Gujarat, in terms of Section 26, Section 32 and Section 33 of the Companies Act, 2013.

#### **DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER TO THE ISSUE**

Our Company and the Lead Manager to the Issue accept no responsibility for statements made otherwise than those contained in the Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as, provided in the Issue Agreement entered between the Lead Manager to the Issue and our Company on Monday, April 03, 2023 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the Issue 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 Lead Manager to the Issue 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 Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

## **CAUTION**

Applicants 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 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, 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.

The Draft 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 the Draft 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) 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 the Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft 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 SME PLATFORM OF BSE SME**

As required, a copy of this Draft Prospectus has been submitted to BSE SME. BSE SME has given vide its letter [●] dated [●] permission to the Issuer to use its name in this Draft Prospectus on which our Company's Equity Shares are proposed to be listed. BSE SME has scrutinized Draft Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. It is to be distinctly understood that the aforesaid permission given by BSE SME should not in any way be deemed or construed that the Draft Prospectus has been cleared or approved by BSE SME; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that our Company's Equity Shares will be listed or will continue to be listed on the stock exchange; nor does it take any responsibility for the financial or other soundness of our Company, its Promoter, its management or any scheme or project of this our Company.

Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the stock 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, 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 Applications 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.

### **FILING**

This Draft Prospectus is being filed with BSE SME, BSE Ltd., 25 TH FLOOR, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001, India.

In accordance with Regulation 246 (5) the SEBI (ICDR), Regulations, the soft copy of Draft Prospectus shall also be submitted to SEBI at Plot No. C 4- A, G Block, Near Bank of India, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 India, simultaneously with the BSE SME Platform. However, SEBI shall not issue any observations on our Draft Prospectus.

A copy of the Draft Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Company, Ahmedabad, Gujarat, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad, Gujarat – 380013, India.

### **LISTING**

The Equity Shares of our Company are proposed to be listed on BSE SME platform of the BSE. Our Company has obtained in-principle approval from BSE SME by way of its letter dated [●] for listing of equity shares on SME Platform of BSE i.e., BSE SME.

BSE SME 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 BSE SME, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME platform of the BSE Limited mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

### **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 from our Directors, Promoters and Compliance Officer, Chief Financial Officer, Statutory Auditor, Key Managerial Personnel, Peer Review Auditor, Bankers to the Company, Lead Manager to the Issue, Registrar to the Issue, Banker to the Issue, 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 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 registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Piyush Kothari & Associates, Chartered Accountants, Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on ‘**Statement of Possible Special Tax Benefits**’ relating to the possible tax benefits and restated financial statements as included in the Draft 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 the Draft Prospectus.

## EXPERTS OPINION

Except for the reports in the section ‘**Financial Information**’ and ‘**Statement of Possible Special Tax Benefits**’ beginning on page 126 and 79 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. For the sake of clarity, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under the U.S. Securities Act 1933.

## EXPENSES OF THE ISSUE

The Estimated Issue Expenses are as under:

Activity	Expenses (₹ in Thousands)	% of Total Estimated Issue Expenditure	% of Issue Size
Payment to the Lead Manager to the Issue including, Underwriting and Selling commissions, Brokerages, payment to other intermediaries such as Legal Advisors, Registrar to the Issue, Bankers etc. and other Out of Pocket Expenses	[●]	[●]	[●]
Printing and Stationery and Postage Expenses Advertising and Marketing Expenses Regulatory Fee and Expenses	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

## Fees, Brokerage and Selling Commission payable to the Lead Manager to the Issue

The total fees payable to the Lead Manager to the Issue will be as per the (i) Issue Agreement dated Monday, April 03, 2023 with the Lead Manager to the Issue, Expert Global Consultants Private Limited, (ii) the Underwriting Agreement dated [●], Underwriter Expert Global Consultants Private Limited and (iii) the Market Making Agreement dated [●], with Market Maker [●], a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on all Working Days from the date of the Draft Prospectus until the Issue Closing Date.

## Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of Applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated Monday, February 06, 2023 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket Expenses including cost of stationery, postage, stamp duty, and communication Expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to make refunds in any of the modes described in the Draft Prospectus or send allotment advice by registered post/speed post.

#### **PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS**

Our Company has not made any previous public issue in India or abroad in the five (5) years preceding the date of the Draft Prospectus.

Except as disclosed, hereinafter our Company has not made any previous rights issue in India or abroad in the five (5) years preceding the date of the Draft Prospectus:

##### **Previous issues of Equity Shares otherwise than for cash**

For detailed description, please refer to section titled '*Capital Structure*' beginning on page 58 of this Draft Prospectus.

##### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the Initial Public Issue 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.

##### **Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company**

Except as stated under section titled '*Capital Structure*' beginning on page 58 of this Draft Prospectus, our Company has not undertaken any previous public or rights issue.

Further, our Company does not have any group companies/ entities or associates, which are listed on any stock exchange.

##### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

Our Company does not have any group/ associate companies, therefore, performance vis-à-vis object of last issue of group/ associate companies is not applicable.

##### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures, bonds, or redeemable preference shares as on the date of filing the Draft Prospectus.

##### **Outstanding Convertible Instruments**

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

##### **Option to Subscribe**

Equity Shares being issued through the Draft Prospectus can be applied for in dematerialized form only.

##### **Stock Market Data of the Equity Shares**

This being a 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 Agreement amongst the Registrar to the Issue, 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 centre 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 centre of the SCSBs where the Application Form was submitted by the ASBA Applicants.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP-ID, Client-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 Applicant 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 Mr. Ashwin Madhabhai Makwana as the Chief Financial Officer and Ms. Priti Mohata as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Chief Financial Officer and Compliance Officer are as follows:

**Mr. Ashwin Madhabhai Makwana/ Ms. Priti Mohata**  
**Shoor Designs Limited**

Diamond Apts. Co-Op Hsg. Society Lt H No. 7/3388/A 6th Floor C/1, 601 Haththupura Char Rasta, Surat – 395003. Gujarat, India.

**Telephone:** +91 90047 46705

**Email-ID:** [compliance@shooradesigns.com](mailto:compliance@shooradesigns.com)

**Website:** [www.shooradesigns.com](http://www.shooradesigns.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 the Draft Prospectus and hence there are no pending investor complaints as on the date of the Draft Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

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

Except as stated below, there is no change of Auditor in last 3 years:

<b>Sr No</b>	<b>Previous Auditor</b>	<b>Current Auditor</b>
1	Jay Mehta & Co	Piyush Kothari & Associates

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled '*Capital Structure*' beginning on page 58 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception of the company.

### **Revaluation of Assets**

Our Company has not revalued its assets since inception of the Company.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled '*Statement of Possible Special Tax Benefits*' beginning on page 79 of this Draft Prospectus.

### **Purchase of Property**

Other than as disclosed under section titled '*Our Business*' beginning on page 90 of this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which: -

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/ or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behaviour**

Except as stated in the Draft Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under sections titled '*Our Management*' and the section titled '*Financial Statement - Annexure 26 – Restated Summary of Related Party Transactions*' beginning on page 110 and 151 of this Draft Prospectus respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## 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 the Draft Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ('CAN'), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other 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 Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this regard, SEBI 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 RIIs 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, with respect to Application 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ('UPI Phase II'). Subsequently, 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.*

*Further vide the said circular, Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned stock exchanges for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue Size**

This Issue has been authorized by a resolution of our Board of directors passed at their meeting held on January 16, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) I of the Companies Act, 2013 at the general meeting.

The shareholders have authorized the issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on January 18, 2023.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. 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 the section titled '*Description of Equity Shares and Terms of Articles of Association*' beginning on page 219 of this Draft Prospectus.



## **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '*Dividend Policy*' and '*Description of Equity Shares and Terms of Articles of Association*', beginning on page 125 and 219 respectively, of this Draft Prospectus.

## **Face Value and Issue Price per Share**

The face value of the Equity Shares is ₹10.00/- each and the Issue Price is ₹[●]/- 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 of the Issue Price*' beginning on page 75 of this Draft Prospectus.

At any given point of time there shall be only one denomination for 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 from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and 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, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability 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 limited company under the Companies Act, 2013, the terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum of Association and Articles of Association of our Company

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled '*Description of Equity Shares and Terms of Articles of Association*' beginning on page 219 of this Draft Prospectus.

## **Allotment in Dematerialized Form**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated January 18, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated January 13, 2023 between CDSL, our Company and Registrar to the Issue.

### **Minimum Application Value**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated January 18, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated January 13, 2023 between CDSL, our Company and Registrar to the Issue.

The ISIN no of the company is INE0OJZ01019.

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

### **Minimum Number of Allottee's**

In accordance with the Regulation 268 of ICDR Regulations. The minimum number of Allottee's in the Issue shall be 50 (Fifty) shareholders. In case the minimum number of prospective Allottee's is less than 50 (Fifty), no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked forthwith.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Surat, Gujarat.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the First / Sole 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 of Directors, elect either:

- a) To register himself or herself as the holder of the Equity Shares; or
- b) To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, our 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 this Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

#### Period of Subscription List of Public Issue

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

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 BSE SME 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 Draft 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 Stock 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.

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled '**General Information**' on page 49 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified BSE securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the

shareholders other than the promoter 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 shares offered through this Issue are proposed to be listed on the SME Platform of BSE (BSE SME), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled '**General Information**' on page 49 of this Draft Prospectus.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Limited.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's Registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As Per the Extant Policy of the Government of India, OCBS Cannot Participate in this issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Allotment of Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **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.

### **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 under section titled '**Capital Structure**' beginning on page 58 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled '**Description Of Equity Shares And Terms Of Articles of Association**' beginning on page 219 of this Draft Prospectus.

### **New Financial Instruments**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

## **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre- Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft 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 and regulations.*

## ISSUE STRUCTURE

The Issue is of up to 4,24,000 Equity Shares of face value of ₹10 at an Issue Price of ₹[●] per Equity Share for cash (including a share premium of ₹[●]) aggregating up to ₹[●] Thousands. The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post-Issue paid-up Equity Share capital of the Issuer Company.

This Issue is being made in terms of Regulation 229(1) of Chapter IX of ICDR Regulations, whereby, an issuer whose post issue paid up capital is less than or equal to ₹1,00,000 Thousands, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange. For further details regarding the salient features and terms of such an issue, please refer to ‘*Terms of Issue*’ and ‘*Issue Procedure*’ on pages 180 and 190 respectively of this Draft Prospectus.

The Issue is a Fixed Price Issue.

Particulars	Net Issue to the Public	Market Maker Reservation Portion
<b>Number of Equity Shares available for Allotment or allocation</b>	Up to [●] Equity Shares	Up to [●] Equity Shares
<b>Percentage of Issue size available for Allotment or allocation</b>	[●]% of the Issue Size	[●]% of the Issue Size
<b>Percentage of Post-Issue Paid-up Equity Share Capital</b>	[●]% of the Post-Issue Paid-up Equity Share Capital	[●]% of the Post-Issue Paid-up Equity Share Capital
<b>Basis of Allotment if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each.  For further details please refer to the section titled ‘ <b>Issue Procedure – Basis of Allotment</b> ’ on page 216 of this Draft Prospectus.	Firm Arrangements
<b>Mode of Application</b>	Through ASBA Process or up to ₹5.00 lakhs through UPI for Individual Investors.	Through ASBA Process only
<b>Minimum Application Size</b>		
<b>For Retail Individual Investors</b>	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Share, so that the application value doesn't exceed ₹2 Lakhs	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Share
<b>For Other than Retail Individual Investors</b>	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Share, so that the application value exceeds ₹2 Lakhs	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Share
<b>Maximum Application Size</b>		
<b>For Retail Individual Investors</b>	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Shares	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Shares
<b>For Other than Retail Individual Investors</b>	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Shares  (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.)	Up to [●] Equity Shares at an Issue Price of ₹[●] per Equity Shares
<b>Trading Lot</b>	[●] Equity Shares	[●] Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the ICDR Regulations

<b>Terms of Payment</b>	100.00% at the time of making an Application	100.00% at the time of making an Application
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Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253 (2) of the ICDR Regulations, shall be made as follows:

- a) Minimum 50.00% 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 Issue to Public, please refer to '*The Issue*' on page 46 of this Draft Prospectus.

In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account or UPI linked account number held in joint names.

The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders. Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

#### **Withdrawal of the Issue**

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

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager to the Issue, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one 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 the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering/Issue of Equity Shares, the Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, this Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

#### **Issue Programme**

<b>Issue Opening Date</b>	:	[●]
<b>Issue Closing Date</b>	:	[●]

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 Centers mentioned in the Application Form.



Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by Lead Manager to BSE within half an hour of such closure.

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 draft 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.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays)

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the UPI Circulars, notified by SEBI (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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchanges, the Company and the Lead Manager before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to this Issue.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the Unified Payments Interface channel; (v) issuance of Confirmation of Allocation Note ('CAN') and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) Designated Date; (ix) disposal of Applications; (x) submission of Application Form; (xi) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide 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 RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ('UPI Phase II'). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIIs ('UPI Phase III'), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Prospectus.

Thereafter, the final reduced timeline may be made effective using the UPI Mechanism for applications by Retail Individual Investors ('UPI Phase III'), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Issue Opening Date. If the Issue is made under UPI Phase III, the same will be advertised in [●] editions of the English national daily newspaper, [●] editions of the Hindi national daily newspaper, [●] and [●] editions of the regional newspaper, [●] (Gujarati being the regional language of Surat, where our Registered Office is located) on or prior to the Bid / Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites. Further SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 have brought the implementation of the aforesaid circular dated March 16, 2021 in accordance with the revised timelines for certain of its provisions based on representations received from the stakeholders due to Covid-19 pandemic. The revisions of the circular dated June 02, 2021 are elaborated as under:

- 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.*

- *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 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.*
- *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 and ensure that the unblocking is completed on T+4.*

*Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.*

*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 ₹ 5 Lakhs shall use UPI.*

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

*Further, our Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.*

## **PART A**

### **Fixed Price Issue Procedure**

The Issue is being made in compliance with the provisions of Reg. 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 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 shall be offered to Non-Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI (ICDR) Regulations and subject to valid Applications being received from them at or above the Issue Price.

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

remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, 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.

**Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized 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. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialised subsequent to allotment.**

**Application Form**

Retail Individual Applicants can submit their applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, the SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Application Forms will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download on the website of the Company, Lead Manager and Stock Exchange, SME Platform of BSE, at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

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 centers only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

Pursuant to SEBI Circular dated January 1, 2016 and bearing no. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also, please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA mode. The prescribed colors of the Application Form for various investors applying in the Issue are as follows:

Categories	Color <sup>(1)</sup>
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

<sup>(1)</sup>Excluding Electronic Application Form

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs 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. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s)

and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of Stock Exchange.

Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, 'printouts' of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

Applicants shall only use the specified Application Form for making an Application in terms of the Draft Prospectus.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries')

<b>Sr. No.</b>	<b>Designated Intermediaries</b>
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the Application Form. It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For application submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

<p><b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b></p>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p>
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Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

#### **Availability of Draft Prospectus and Application Forms**

The Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company and Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e., [www.bseindia.com](http://www.bseindia.com).

#### **Who can apply?**

In addition to the category of Applicants as set forth under 'General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue', the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Indian national resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional applicant's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;

- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Insurance funds set up and managed by army, navy or air force of the Union of India;
- s) Multilateral and bilateral development financial institution;
- t) Eligible QFIs;
- u) Insurance funds set up and managed by army, navy or air force of the Union of India;
- v) Insurance funds set up and managed by the Department of Posts, India;
- w) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing RBI regulations, OCBs cannot participate in this Issue.

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

**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 ₹ 2,00,000 and in multiples of [●] 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 ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:



1. The total number of Shares to be allocated to each category as a whole shall be arrived at on proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows:
4. Each successful applicant shall be allotted [●] Equity shares; and
5. 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.
6. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.
7. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

The balance net issue of shares to the public shall be made available for allotment to Individual applicants other than retails individual investors and Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

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 Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Participation by Associates /Affiliates of LM and the Market Makers**

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/ Underwriters and Market Makers, if any may subscribe to 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.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.



## **BIDS BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub- Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ('NRE') accounts, or Foreign Currency Non-Resident ('FCNR') Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ('NRO') accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs bidding on a repatriation basis are advised to use the Application Form meant for Non- Residents (blue in colour). For details of restrictions on investment by NRIs, please refer to the chapter titled '*Restrictions on Foreign Ownership of Indian Securities*' beginning on page 218 of this Draft prospectus.

## **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Application Form as follows: 'Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta'. Bids by HUFs may be considered at par with Bids from individuals;

## **BIDS BY FPIs INCLUDING FIIS**

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

### **Option to Subscribe in the Issue**

1. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
2. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Applicants:**

Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

Our Company will file the Draft Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

Copies of the Application Form along with Abridged Draft Prospectus and copies of the Draft Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

Any applicant who would like to obtain the Draft Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain such details are liable to be rejected.

Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be 'suspended for credit' and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis.

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

#### **Applications by eligible NRIs on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the

declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

#### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% 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 up to 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 RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

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.

- a. 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 investor 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, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised 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. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. 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. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant.

### **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.

Custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **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 LLP 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. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, 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'), as amended (the 'IRDA Investment Regulations'), are broadly set forth below:

- i. 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;
- ii. 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
- iii. 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 under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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 therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹ 2500 Lakhs and pension funds with minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

#### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Prospectus.

#### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered with the IRDA, a certified copy of certificate of registration issued by IRDA must SCSBs. SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Applications by Systemically Important Non-Banking Financial Companies In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time. 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 Draft 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.

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

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 withdrawal/ 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 ₹ [●] 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 Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case maybe.

## **Maximum and Minimum Application Size**

The applications in this Issue, being a fixed price issue, will be categorized into two;

For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹[●].

## **For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.



A person shall not make an application in the net issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

### **Option to Receive Equity Shares in Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Pre-Issue Advertisement**

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,

- i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
  6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bankers, 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:

Sr. 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.
 

Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
10. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way 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 Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. 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.
13. 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.

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 [●] Equity Shares shall be reserved for Market Maker and [●] Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to 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 Manager 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.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

#### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- i. Our company will enter into an Underwriting Agreement before filing of prospectus.
- ii. A copy of the Prospectus will be filed with the RoC in terms of Section 26 of Companies Act, 2013.

#### **Pre-Issue Advertisement**

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering 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.

### **Issuance of Allotment Advice**

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to the Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Advertisement Regarding Issue Price and Prospectus**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Draft prospectus and the date of Prospectus will be included in such statutory advertisement.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the 'Stated Minimum Amount' has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Draft Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as maybe prescribed under that section. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

### **General Instructions**

#### **Do's:**

1. Check if you are eligible to apply;
2. Read all the instructions carefully and complete the applicable Application Form;
3. Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
4. All Bidders should submit their Bids through the ASBA process only;

5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
7. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
8. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;
9. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
10. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
11. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;
12. RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
13. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
14. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
15. If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms;
17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
18. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
20. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, 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);

21. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
22. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries
23. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in 'active status'; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
26. Ensure that the category and the investor status is indicated;
27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
29. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
30. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft prospectus;
31. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
32. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
33. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
34. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
36. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application

details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;

37. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid / Issue Closing Date.
38. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.
41. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not apply for a price different from the price mentioned herein or in the Application Form;
3. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
4. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
6. Do not send Application Forms by post, instead submit the Designated Intermediary only;
7. Do not submit the Application Forms to any non-SCSB bank or our Company
8. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
10. Do not apply for an Application Amount exceeding ₹2,00,000 (for applications by Retail Individual Applicants);
11. 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;
12. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
13. 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;
14. Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;

15. 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;
16. Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended; and
17. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### Other instructions for the Bidders Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidder 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 Bidder would be required in the Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### Multiple Bids

A Bidder should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### 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 Bidders

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 Bidders should inform their respective DP.

#### Submission of Bids

- I. During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Draft prospectus.

#### GROUNDINGS OF TECHNICAL REJECTIONS

Bidders are advised to note that 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 and BSE i.e. www.bsesme.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 centres for collecting the application is available on the websites of BSE i.e. www.bseindia.com and BSE i.e. www.bsesme.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.

**Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the 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.

### **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 SME 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:

- i. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- ii. 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
- iii. 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.

### **Grounds for Rejection**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- The amounts mentioned in the Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- Applications made using a third party bank account or using third party UPI ID linked bank account
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or 'qualified institutional buyers' as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications 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
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

- e) If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### Communications

Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**BIDDERS 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 BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

### EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated January 18, 2023 among NSDL, the Company and the Registrar to the Issue; and
- b. Agreement dated January 13, 2023 among CDSL, the Company and the Registrar to the Issue.
- c. The Company’s shares bear ISIN no INE00JZ01019.

<p><b>Ms. Priti Mohata</b> Shoora Designs Limited, Diamond Apts. Co-op Hsg. Society LT H No. 7/3388/A 6<sup>th</sup> floor C/1, 601 Haththupura Char rasta, Surat, Gujarat – 395003, India <b>Telephone:</b> +919004746705 <b>Website:</b> <a href="http://www.shooradesigns.com">www.shooradesigns.com</a> <b>Email id:</b> <a href="mailto:compliance@shooradesigns.com">compliance@shooradesigns.com</a></p>	<p><b>KFin Technologies Limited</b> Selenium, Tower-B, Plot 31&amp; 32, Gachibowli Financial District Nanakramguda, Hyderabad – 500032, Telangana, India <b>Telephone:</b> +91-40-6716-2222 <b>Email:</b> <a href="mailto:shooradesigns.ipo@kfintech.com">shooradesigns.ipo@kfintech.com</a>. <b>Investor Grievance Email ID:</b> einward.ris@kfintech.com <b>Contact Person:</b> M Murali Krishna <b>Website:</b> www.kfintech.com <b>SEBI Registration Number:</b> INR000000221 <b>CIN:</b> L72400TG2017PLC117649</p>
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### Disposal of Applications and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

### 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 for action under Section 447.’

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

### **Procedure and Time of Schedule for Allotment and Demat Credit**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

### **Basis of Allotment**

Allotment will be made in consultation with BSE (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:

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).

For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

Each successful applicant shall be allotted [●] equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

Minimum of 50% of the net issue of shares to the Public (i.e. 1,98,000 Equity Shares) shall be made available for allotment to retail individual investors; and

The balance net issue of shares to the public (i.e. 1,98,000 Equity Shares) shall be made available for allotment to Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions.

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 allocated portion on proportionate basis, the retails individual investors shall be allocated that higher percentage.

Our Company shall ensure that out of total allocated shares to the Category 'Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions', at least 15% of net issue of shares to the public shall be allocated to Non- Institutional Bidders will be made at the Issue Price.

The Net Issue size less Allotment to Retail Investors shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non- Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

Names of entities responsible for finalizing the Basis of Allotment in the event of Under Subscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE – the Designated Stock Exchange in addition to Lead 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.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

### **Undertakings by Our Company**

We undertake as follows:

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 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 closure of the Issue;
- 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;
- That our Promoter's contribution in full has already been brought in;
- That no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 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;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- That where refunds (to the extent applicable) 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;
- That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- That none of the promoters or directors of the company is wilful defaulter or Fraudulent Borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

### **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 the 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 an appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ('FDI') through press notes and press releases.

The DPIIT issued the Consolidated FDI Policy, 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 proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular. Pursuant to Press Note 2 (2021 Series) issued by DPIIT, the FDI Policy was amended to reflect the increase in FDI limit up to 74% foreign investment under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government, OCBs cannot participate in the Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to 'qualified institutional buyers' (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as 'U.S. QIBs') in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in 'offshore transactions' in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term 'U.S. QIBs' does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as 'QIBs'.**

**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. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

**SECTION XII – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

Title of Articles	Article Number	Content
<b>CONSTITUTION OF THE COMPANY</b>	1.	The Regulations contained in Table ‘F’ in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
<b>INTERPRETATION CLAUSE</b>	2.	<p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <ul style="list-style-type: none"> <li>a) ‘The Act’ or ‘The Companies Act’ shall mean ‘The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.</li> <li>b) ‘The Board’ or ‘The Board of Directors’ means the duly constituted Board of Directors of the Company.</li> <li>c) Meeting’ or ‘General Meeting’ means a meeting of Directors or Members or creditors as the case may be</li> <li>d) ‘The Company’ or ‘This Company’ means SHOORA DESIGNS LIMITED</li> <li>e) ‘Directors’ means the Directors for the time being of the Company, appointed in terms of these Articles or as the case may be, the directors assembled at a board.</li> <li>f) ‘Writing’ includes printing, lithograph, typewriting and any other usual substitutes for writing.</li> <li>g) ‘Members’ means members of the Company holding a share or shares of any class.</li> <li>h) ‘Month’ shall mean a calendar month.</li> <li>i) ‘Paid-up’ shall include ‘credited as fully paid-up’.</li> <li>j) ‘Person’ shall include any corporation as well as individual.</li> <li>k) ‘These presents’ or ‘Regulations’ shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</li> <li>l) ‘Section’ or ‘Sec.’ means Section of the Act.</li> <li>m) Words importing the masculine gender shall include the feminine gender.</li> <li>n) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</li> <li>o) ‘Ordinary Resolution’ and ‘Special Resolution’ means Ordinary Resolution and Special Resolution as defined by Section 114 in the Act.</li> <li>p) ‘The Office’ means the Registered Office for the time being of the Company.</li> <li>q) ‘The Register’ means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</li> <li>r) ‘Proxy’ includes Attorney duly constituted under a Power of Attorney.</li> </ul>
	3.	Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
	4.	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.

Title of Articles	Article Number	Content
	5.	<p>Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.</p> <p>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.</p>
	6.	<p>The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.</p>
	7.	<p>The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:</p> <p>I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.</p> <p>(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.</p> <p>(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.</p>



Title of Articles	Article Number	Content
		<p>II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.</p> <p>III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:</p> <p>(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and</p> <p>(b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.</p>
	8.	<p>1. The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.</p> <p>2. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.</p>
<b>Issue of further shares with disproportionate rights</b>	9.	Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
<b>Not to issue shares with disproportionate rights</b>	10.	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
<b>Power to pay commission</b>	11.	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. 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. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
<b>Liability of joint holders of shares</b>	12.	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.
<b>Trust not recognised</b>	13.	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Title of Articles	Article Number	Content
<b>Issue other than for cash</b>	14.	a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares. b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.
<b>Acceptance of shares</b>	15.	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
<b>Member' right to share Certificates</b>	16.	1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment: <ol style="list-style-type: none"> <li>a) One certificate for all his shares; or</li> <li>b) Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.</li> </ol> 2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.           3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.           4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.
<b>One Certificate for joint holders</b>	17.	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
<b>Renewal of Certificate</b>	18.	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
	19.	For every certificate issued under the last preceding Article, no fee shall be charged by the Company.
<b>Splitting and consolidation of Share Certificate</b>	20.	The shares of the Company will be split up/consolidated in the following circumstances: <ol style="list-style-type: none"> <li>(i). At the request of the member/s for split up of shares in marketable lot.</li> </ol>

<b>Title of Articles</b>	<b>Article Number</b>	<b>Content</b>
		(ii). At the request of the member/s for consolidation of fraction shares into marketable lot.
<b>Directors may issue new Certificate(s)</b>	21.	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.
<b>Person by whom installments are payable</b>	22.	If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.
<b>LIEN  Company's lien on shares</b>	23.	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
<b>As to enforcing lien by sale</b>	24.	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency of the register holder.
<b>Authority to transfer</b>	25.	a) To give effect to such sale, the Board of Directors may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. b) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
<b>Application of proceeds of sale</b>	26.	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.
<b>CALLS ON SHARES  Calls</b>	27.	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.
<b>When call deemed to have been made</b>	28.	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
<b>Length of Notice of call</b>	29.	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of

Title of Articles	Article Number	Content
		such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
<b>Sum payable in fixed installments to be deemed calls</b>	30.	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by instalments at fixed time, whether on account of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.
<b>When interest on call or instalment payable</b>	31.	If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.
<b>Sums payable at fixed times to be treated as calls</b>	32.	The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
<b>Payment of call in advance</b>	33.	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
<b>Partial payment not to preclude forfeiture</b>	34.	Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.
<b>FORFEITURE OF SHARES</b>  <b>If call or instalment not paid, notice may be given</b>	35.	If a member fails to pay any call or instalment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.
<b>Evidence action by Company against shareholders</b>	36.	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was

Title of Articles	Article Number	Content
		duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
<b>Form of Notice</b>	37.	The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
<b>If notice not complied with, shares may be forfeited</b>	38.	If the requirements of any such notice as, aforementioned 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
<b>Notice after forfeiture</b>	39.	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
<b>Boards' right to dispose of forfeited shares or cancellation of forfeiture</b>	40.	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
<b>Liability after forfeiture</b>	41.	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
<b>Effect of forfeiture</b>	42.	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
<b>Evidence of forfeiture</b>	43.	A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.
<b>Non-payment of sums payable at fixed times</b>	44.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
<b>Validity of such sales</b>	45.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of

Title of Articles	Article Number	Content
		the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
<p><b>TRANSFER AND TRANSMISSION OF SHARES</b></p> <p><b>Transfer</b></p>	46.	<p>a) The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> <p>b) The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.</p> <p>Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</p> <p>c) An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>d) For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</p> <p>e) Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</p>
<b>Form of transfer</b>	47.	Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.
<b>Board's right to refuse to register</b>	48.	<p>The Board, may, at its absolute discretion and without assigning any reason, decline to register</p> <ol style="list-style-type: none"> <li>1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or</li> <li>2. Any transfer or transmission of shares on which the Company has a lien <ol style="list-style-type: none"> <li>a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.</li> <li>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.</li> <li>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.</li> <li>d. The provisions of this clause shall apply to transfers of stock also.</li> </ol> </li> </ol>



Title of Articles	Article Number	Content
<b>Further right of Board of Directors to refuse to register</b>	49.	<p>a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.</p> <p>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.</p> <p>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.</p> <p>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:</p> <ol style="list-style-type: none"> <li>i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.</li> <li>ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.</li> <li>iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.</li> <li>iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.</li> <li>v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company. Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor not withstanding that the residual holding shall be below hundred (100).</li> </ol>
<b>Rights to shares on death of a member for transmission</b>	50.	<p>a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</p> <p>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder. Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to</p>

Title of Articles	Article Number	Content
		<p>the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.</p> <p>Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.</p>
<b>Rights and liabilities of person</b>	51.	<ol style="list-style-type: none"> <li>1. 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 be required by the Board and subject as herein, after provided elect either <ol style="list-style-type: none"> <li>a. to be registered himself as a holder of the share or</li> <li>b. to make such transfer of the share as the deceased or insolvent member could have made.</li> </ol> </li> <li>2. 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.</li> </ol>
<b>Notice by such a person of his election</b>	52.	<ol style="list-style-type: none"> <li>a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</li> <li>b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>c. 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 of transfer had been signed by that member.</li> </ol>
<b>No transfer to infant, etc.</b>	53.	No transfer shall be made to an infant or a person of unsound mind.
<b>Endorsement of transfer and issue of certificate</b>	54.	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
<b>Custody of transfer</b>	55.	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
<b>Register of members</b>	56.	<ol style="list-style-type: none"> <li>a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register. <b>Closure of Register of members</b></li> <li>b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time. <b>When instruments of transfer to be retained</b></li> <li>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</li> </ol>
<b>Company's right to register transfer by apparent legal owner</b>	57.	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons



Title of Articles	Article Number	Content
		having or claiming any equitable right, title or interest to or in the same shares not withstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.
<b>Alteration Of Capital</b>  <b>Alteration and consolidation, sub-division and cancellation of shares</b>	58.	a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows: <ol style="list-style-type: none"> <li>1. increase its share capital by such amount as it thinks expedient by issuing new shares;</li> <li>2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;</li> <li>4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.</li> <li>5. <ol style="list-style-type: none"> <li>a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</li> <li>b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.</li> </ol> </li> <li>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.</li> </ol>
<b>Reduction of capital, etc. by Company</b>	59.	The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law: <ol style="list-style-type: none"> <li>a. its share capital;</li> <li>b. any capital redemption reserve account; or</li> <li>c. any share premium account.</li> </ol>
<b>Surrender of Shares</b>	60.	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.
<b>Modification of Rights</b>	61.	<b>Power of modify shares</b> The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.

Title of Articles	Article Number	Content
<b>Set-off of Moneys Due To Shareholders</b>	62.	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.
<b>Conversion of Shares</b>	63.	The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.
<b>Transfer of stock</b>	64.	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>Right of stockholders</b>	65.	The holders of the stock shall, according to the amount of the 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 its 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.
<b>Applicability of regulations to stock and stockholders</b>	66.	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
<b>Dematerialisation of Securities</b>	67.	<p><b>a) Definitions</b>  For the purpose of this Article:  ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;  ‘SEBI’ means the Securities and Exchange Board of India;  ‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and  ‘Security’ means such security as may be specified by SEBI from time to time.</p> <p><b>b) Dematerialisation of securities</b>  Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p><b>c) Options for investors</b>  Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. 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 record the name of the allottee as the beneficial owner of the security.</p> <p><b>d) Securities in depositories to be in fungible form</b></p>

Title of Articles	Article Number	Content
		<p>All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p><b>e) Rights of depositories and beneficial owners:</b></p> <p>(i). Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.</p> <p>(ii). Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.</p> <p>(iii). Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p> <p><b>f) Service of documents</b> Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> <p><b>g) Transfer of securities</b> Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p><b>h) Allotment of securities dealt with in a depository</b> Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p><b>i) Distinctive numbers of securities held in a depository</b> Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p><b>j) Register and Index of Beneficial owners</b> The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.</p> <p><b>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository</b> Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.</p>
<b>General Meetings</b>	68.	<p><b>Annual General Meeting</b> The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.</p>

Title of Articles	Article Number	Content
<b>Extraordinary General Meeting</b>	69.	<p>1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.</p> <p><b>Right to summon Extraordinary General Meeting</b></p> <p>2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.</p>
<b>Extraordinary Meeting by requisition</b>	70.	<p>a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.</p> <p>b. The requisition shall set our matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.</p> <p>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.</p> <p>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.</p> <p>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.</p>
<b>Length of notice for calling meeting</b>	71.	<p>A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting.</p> <p>Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>
<b>Accidental omission to give notice not to invalidate meeting</b>	72.	<p>The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.</p>
<b>Special business and statement to be annexed</b>	73.	<p>All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of</p>

Title of Articles	Article Number	Content
		<p>the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> <p>Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.</p>
<b>Quorum</b>	74.	<p>The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:</p> <p>Number of members upto 1000: 5 members personally present  Number of members 1000-5000: 15 members personally present  Number of members more than 5000: 30 members personally present</p>
<b>If quorum not present, when meeting to be dissolved and when to be adjourned</b>	75.	<p>If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.</p>
<b>Chairman of General Meeting</b>	76.	<p>The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.</p>
<b>When Chairman is absent</b>	77.	<p>If there is no such Chairman or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.</p>
<b>Adjournment of meeting</b>	78.	<p>The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.</p>
<b>Questions at General Meeting how decided</b>	79.	<p>At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.</p>

<b>Title of Articles</b>	<b>Article Number</b>	<b>Content</b>
<b>Casting vote</b>	80.	In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
<b>Taking of poll</b>	81.	If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
<b>In what cases poll taken without adjournment</b>	82.	A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.
<b>Votes</b>	83.	<p>a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.</p> <p>b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.</p> <p>c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.</p>
<b>Business may proceed notwithstanding demand for poll</b>	84.	A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
<b>Joint holders</b>	85.	In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
<b>Member of unsound mind</b>	86.	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.
<b>No member entitled to vote while call due to Company</b>	87.	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
<b>Proxies permitted on polls</b>	88.	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.



Title of Articles	Article Number	Content
<b>Instrument of proxy</b>	89.	<p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> <li>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ol> <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.</p>
<b>Instrument of proxy to be deposited at the office</b>	90.	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.
<b>Validity of vote by proxy</b>	91.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
<b>Form of proxy</b>	92.	Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.
<b>DIRECTORS</b>	93.	<p>Number of Directors</p> <p>Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.</p> <p>The First Directors of the Company are:</p> <ol style="list-style-type: none"> <li>1. Satish K Kansodariya</li> <li>2. Vipulbhai Karmshibhai Anghan</li> </ol> <p>The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.</p>
	94.	Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the

Title of Articles	Article Number	Content
		Board may decide from time to time. Such Director shall be a Member of the Board.
<b>Qualification of Directors</b>	95.	Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.
<b>Director's remuneration</b>	96.	<p>a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.</p> <p>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.</p> <p>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.</p> <p>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.</p>
<b>Directors may act notwithstanding vacancy</b>	97.	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:
<b>Chairman or Vice-chairman of the Board</b>	98.	<p>a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.</p> <p>b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable</p>



Title of Articles	Article Number	Content
		expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.
<b>Casual vacancy</b>	99.	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.
<b>VACATION OF OFFICE BY DIRECTORS</b>	100.	<p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> <li>1. he is found to be unsound mind by a Court of competent jurisdiction;</li> <li>2. he applies to be adjudicated as an insolvent;</li> <li>3. he is an undischarged insolvent;</li> <li>4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</li> <li>5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;</li> <li>6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.</li> <li>7. he has not complied with Subsection (3) of Section 152</li> <li>8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.</li> <li>9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;</li> <li>10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.</li> <li>11. he becomes disqualified by an order of a court or the Tribunal</li> <li>12. he is removed in pursuance of the provisions of the Act,</li> <li>13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</li> </ol> <p>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <ol style="list-style-type: none"> <li>1. for thirty days from the date of the adjudication, sentence or order;</li> <li>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</li> <li>3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.</li> </ol>
<b>Alternate Directors</b>	101.	<p>(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause ‘the Original Director’ during his absence for a period of not less than 3 months from India.</p> <p>(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.</p> <p><b>Independent Directors</b></p>

Title of Articles	Article Number	Content
		<p>(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or clause 49 of Listing Agreement, whichever is higher, from time to time.  (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013. and clause 49 of Listing Agreement  (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.</p> <p><b>Women Director</b></p> <p>(d) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p> <p><b>Key Managerial Personnel</b></p> <p>(e) Subject to the provisions of the Act,—</p> <p>(i). A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of are solution of the Board;</p> <p>(ii). A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>(iii). The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.</p>
<b>Additional Directors</b>	102.	<p>The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.</p> <p><b>Proportion of retirement by rotation</b></p> <p>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.</p>
<b>Debenture</b>	103.	<p>Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as ‘Debenture Director’ and the term ‘Debenture Director’ means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.</p>
<b>Corporation/Nominee Director</b>	104.	<p>a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as ‘The Corporation’) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint</p>

Title of Articles	Article Number	Content
		<p>from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as ‘Nominee Director(s)’) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).</p> <p>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p> <p>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.</p> <p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.</p> <p>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.</p> <p>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.</p>
<b>Disclosure of interest of Directors</b>	105.	<p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or</p>

Title of Articles	Article Number	Content
		<p>otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.</p> <p>Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p>
<b>Rights of Directors</b>	106.	Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.
<b>Directors to comply with Section 184</b>	107.	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.
<b>Directors power of contract with Company</b>	108.	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.
<b>ROTATION OF DIRECTORS</b>	109.	<p><b>Rotation and retirement of Directors</b></p> <p>Excluding Executive Directors having Key managerial position for particular period and Independent Directors, at least one-third of the Directors shall retire by rotation at every annual meeting, in accordance with provisions of Section 152 of the Act.</p>
<b>Retiring Directors eligible for re-election</b>	110.	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.
<b>Which Directors to retire</b>	111.	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
<b>Retiring Directors to remain in office till successors are appointed</b>	112.	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved

Title of Articles	Article Number	Content
		not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.
<b>Power of General Meeting to increase or reduce number of Directors</b>	113.	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.
<b>Power to remove Directors by ordinary resolution</b>	114.	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.
<b>Rights of persons other than retiring Directors to stand for Directorships</b>	115.	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be 'along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution'.
<b>Register of Directors and KMP and their shareholding</b>	116.	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.
<b>Business to be carried on</b>	117.	The business of the Company shall be carried on by the Board of Directors.
<b>Meeting of the Board</b>	118.	The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.
<b>Director may summon meeting</b>	119.	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.
<b>Question how decided</b>	120.	<p>a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.</p> <p>b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.</p>
<b>Right of continuing Directors when there is no quorum</b>	121.	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the

Title of Articles	Article Number	Content
		number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.
<b>Quorum</b>	122.	The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.
<b>Election of Chairman to the Board</b>	123.	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.
<b>Power to appoint Committees and to delegate</b>	124.	<p>a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.</p> <p style="text-align: center;"><b>Delegation of powers</b></p> <p>b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.</p> <p>c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act. and listing agreement.</p>
<b>Proceedings of Committee</b>	125.	The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.
<b>Election of Chairman of the Committee</b>	126.	<p>a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.</p> <p>b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.</p>
<b>Question how determined</b>	127.	<p>a. A Committee may meet and adjourn as it thinks proper.</p> <p>b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.</p>
<b>Acts done by Board or Committee valid, notwithstanding</b>	128.	All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any



Title of Articles	Article Number	Content
<b>defective appointment, etc.</b>		of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
<b>Resolution by circulation</b>	129.	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.
<b>POWERS AND DUTIES OF DIRECTORS</b>	130.	<b>General powers of Company vested in Directors</b> The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
<b>Attorney of the Company</b>	131.	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
<b>Power to authorise sub delegation</b>	132.	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.
<b>Directors' duty to comply with the provisions of the Act</b>	133.	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.
<b>Special power of Directors</b>	134.	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

Title of Articles	Article Number	Content
<p><b>To acquire and dispose of property and rights</b></p>	<p>135.</p>	<p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p style="text-align: center;"><b>To pay for property in debentures, etc.</b></p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p style="text-align: center;"><b>To secure contracts by mortgages</b></p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p style="text-align: center;"><b>To appoint officers, etc.</b></p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p style="text-align: center;"><b>To refer to arbitration</b></p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p style="text-align: center;"><b>To give receipt</b></p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> <p style="text-align: center;"><b>To act in matters of bankrupts and insolvents</b></p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p> <p style="text-align: center;"><b>To give security by way of indemnity</b></p> <p>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.</p> <p style="text-align: center;"><b>To give commission</b></p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p style="text-align: center;"><b>To make contracts etc.</b></p> <p>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in</p>



Title of Articles	Article Number	Content
		<p>relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p style="text-align: center;"><b>To make bye-laws</b></p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p style="text-align: center;"><b>To set aside profits for provided fund</b></p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p> <p style="text-align: center;"><b>To make and alter rules</b></p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.</p>
<b>Managing Director</b>	136.	<p>a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:</p> <p>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.</p> <p>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.</p> <p>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.</p> <p>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.</p> <p>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.</p>

Title of Articles	Article Number	Content
<b>Whole-time Director</b>	137.	<p>1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p>
<b>Secretary</b>	138.	The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.
<b>Powers as to commencement of business</b>	139.	Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.
<b>Delegation of power</b>	140.	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.
<b>BORROWING</b>	141.	<p>a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.</p>

Title of Articles	Article Number	Content
		<p>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company</p>
<b>Assignment of debentures</b>	142.	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
<b>Terms of debenture issue</b>	143.	<p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called 'Debenture Director'. The words 'Mortgage' or 'Debenture Director' shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any</p>

Title of Articles	Article Number	Content
		<p>qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.</p>
<b>Charge on uncalled capital</b>	144.	Any uncalled capital of the Company may be included in or charged by mortgage or other security.
<b>Subsequent assignees of uncalled capital</b>	145.	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.
<b>Charge in favour of Director of indemnity</b>	146.	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.
<b>Powers to be exercised by Board only at meeting</b>	147.	<p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) to make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) to authorise buy-back of securities under section 68;</p> <p>(c) to issue securities, including debentures, whether in or outside India;</p> <p>(d) to borrow monies;</p> <p>(e) to invest the funds of the company;</p> <p>(f) to grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) to approve financial statement and the Board's report;</p> <p>(h) to diversify the business of the company;</p> <p>(i) to approve amalgamation, merger or reconstruction;</p> <p>(j) to take over a company or acquire a controlling or substantial stake in another company;</p> <p>(k) to make political contributions;</p> <p>(l) to appoint or remove key managerial personnel (KMP);</p> <p>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>(n) to appoint internal auditors and secretarial auditor;</p> <p>(o) to take note of the disclosure of director's interest and shareholding;</p> <p>(p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;</p> <p>(q) to invite or accept or renew public deposits and related matters;</p>

Title of Articles	Article Number	Content
		<p>(r) to review or change the terms and conditions of public deposit;</p> <p>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>(t) such other business as may be prescribed by the Act.</p> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.</p>
<b>Register of mortgage to be kept</b>	148.	The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.
<b>Register of holders of debentures</b>	149.	Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.
<b>Inspection of copies of and Register of Mortgages</b>	150.	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.
<b>Supplying copies of register of holder of debentures</b>	151.	The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
<b>Right of holders of debentures as to Financial Statements</b>	152.	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.
<b>Minutes</b>	153.	<p>a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.</p> <p>b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as</p>

Title of Articles	Article Number	Content
		defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.
<b>Managing Director's power to be exercised severally</b>	154.	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
<b>Manager</b>	155.	Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.
<b>Common Seal</b>	156.	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.
<b>Affixture of Common Seal</b>	157.	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.
<b>Dividends And Reserves</b>	158.	<b>Rights to Dividend</b> The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.
<b>Declaration of Dividends</b>	159.	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
<b>What to be deemed net profits</b>	160.	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
<b>Interim Dividend</b>	161.	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.
<b>Dividends to be paid out of profits only</b>	162.	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.
<b>Reserve Funds</b>	163.	<p>a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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.</p> <p>b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.</p>
<b>Method of payment of dividend</b>	164.	a. Subject to the rights of persons, if any, entitled to share 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.



Title of Articles	Article Number	Content
		<p>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.</p> <p>c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.</p>
<b>Deduction of arrears</b>	165.	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 in relation to the shares of the Company or otherwise.
<b>Adjustment of dividend against call</b>	166.	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.
<b>Payment by cheque or warrant</b>	167.	<p>a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.</p> <p>b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.</p>
<b>Retention in certain cases</b>	168.	<p>The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.</p> <p><b>Receipt of joint holders</b></p> <p>A). Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:</p> <p>a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> <p>b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act’.</p>
<b>Deduction of arrears</b>	169.	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.
<b>Notice of Dividends</b>	170.	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
<b>Dividend not to bear interest</b>	171.	No dividend shall bear interest against the Company.
<b>Unclaimed Dividend</b>	172.	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.
<b>Transfer of share not to pass prior Dividend</b>	173.	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Title of Articles	Article Number	Content
<b>Capitalisation of Profits</b>	174.	<p>a) The Company in General Meeting, may on the recommendation of the Board, resolve:</p> <ol style="list-style-type: none"> <li>1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and</li> <li>2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</li> </ol> <p>b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:</p> <ol style="list-style-type: none"> <li>1. paying up any amount for the time being unpaid on any share held by such members respectively;</li> <li>2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or</li> <li>3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).</li> </ol> <p>c) A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>d) The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p>
<b>Powers of Directors for declaration of Bonus</b>	175.	<p>a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <ol style="list-style-type: none"> <li>1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and</li> <li>2. generally do all acts and things required to give effect thereto.</li> </ol> <p>b. The Board shall have full power:</p> <ol style="list-style-type: none"> <li>1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;</li> <li>2. 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 capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.</li> </ol> <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p>
<b>Books of account to be kept</b>	176.	<p>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of</p>



Title of Articles	Article Number	Content
		<p>all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</p> <p>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</p> <p>c. The books of accounts shall be open to inspection by any Director during business hours.</p>
<b>Where books of account to be kept</b>	177.	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.
<b>Inspection by members</b>	178.	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
<b>Statement of account to be furnished to General Meeting</b>	179.	The Board shall lay before such Annual General Meeting , financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
<b>Financial Statements</b>	180.	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.
<b>Authentication of Financial Statements</b>	181.	<p>a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.</p> <p>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.</p>
<b>Auditors Report to be annexed</b>	182.	The Auditor's Report shall be attached to the financial statements.
<b>Board's Report to be attached to Financial Statements</b>	183.	<p>a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.</p> <p>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.</p> <p>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.</p>

Title of Articles	Article Number	Content
		<p>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.</p> <p>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.</p>
<b>Right of member to copies of Financial Statements</b>	184.	The Company shall comply with the requirements of Section 136.
<b>Annual Returns</b>	185.	The Company shall make the requisite annual return in accordance with Section 92 of the Act.
<b>Audit</b>	186.	<p><b>Accounts to be audited</b></p> <p>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p> <p>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>d. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>e. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.  Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and  2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>f. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>g. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the</p>

Title of Articles	Article Number	Content
		<p>Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>h. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>i. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>
<b>Audit of Branch Offices</b>	187.	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.
<b>Remuneration of Auditors</b>	188.	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.
<b>Rights and duties of Auditors</b>	189.	<p>(a) Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.</p> <p>(b) All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>(c) The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:</p> <ol style="list-style-type: none"> <li>1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and</li> <li>2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.</li> </ol> <p>(d) The Auditor's Report shall also state:</p> <ol style="list-style-type: none"> <li>(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;</li> <li>(b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;</li> <li>(c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;</li> <li>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;</li> <li>(e) whether, in his opinion, the financial statements comply with the accounting standards;</li> </ol>

Title of Articles	Article Number	Content
		<p>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;</p> <p>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;</p> <p>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;</p> <p>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;</p> <p>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;</p> <p>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;</p> <p>(l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.</p> <p>(e) Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.</p> <p>(f) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.</p>
<b>Accounts whether audited and approved to be conclusive</b>	190.	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.
<b>Service of documents on the Company</b>	191.	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.
<b>How documents to be served to members</b>	192.	<p>a) A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.</p> <p>b) All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c) Where a document is sent by post:</p> <p>i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the</p>

Title of Articles	Article Number	Content
		<p>manner intimated by the member, and such service shall be deemed to have been effected;</p> <p>a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</p> <p>b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.</p>
<b>Members to notify address in India</b>	193.	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
<b>Service on members having no registered address in India</b>	194.	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
<b>Service on persons acquiring shares on death or insolvency of members</b>	195.	A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
<b>Notice valid though member deceased</b>	196.	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.
<b>Persons entitled to Notice of General Meeting</b>	197.	<p>Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;</p> <p>a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;</p> <p>b) the auditor or auditors of the company; and</p> <p>c) every director of the company.</p> <p>Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.</p>
<b>Advertisement</b>	198.	<p>a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.</p> <p>b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.</p>
<b>Transference, etc. bound by prior notices</b>	199.	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every

Title of Articles	Article Number	Content
		document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.
<b>How notice to be signed</b>	200.	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
<b>Authentication of document and proceeding</b>	201.	Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.
<b>Winding up</b>	202.	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.
<b>Division of assets of the Company in specie among members</b>	203.	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.
<b>Indemnity And Responsibility</b>	204.	<p style="text-align: center;"><b>Directors' and others' right to indemnity</b></p> <p>a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.</p> <p>b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.</p>
	205.	Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order



Title of Articles	Article Number	Content
		of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.
<b>Secrecy Clause</b>	206.	<p>a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.</p> <p>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.</p>
<b>Registers, Inspection and copies Thereof</b>	207.	<p>a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.</p> <p>b. Any, Director or Member or person can take copies of such registers of the company by paying ₹ 10 per Page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>
<b>General Authority</b>	208.	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

## SECTION XIII – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of this Draft Prospectus which will be filed with the RoC. Copies of the contracts and also the documents for inspection referred to hereunder may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Prospectus until the Issue Closing Date. The copies of the contracts and also the documents for inspection referred to hereunder have also been uploaded on the website of our Company at [www.shooradesigns.com](http://www.shooradesigns.com) and are available for inspection from date of the Prospectus until the Issue Closing Date.

#### Material Contracts for the Issue

- (1) Issue Agreement dated Monday, April 03, 2023 amongst our Company, and the Lead Manager.
- (2) Registrar Agreement dated Monday, February 06, 2023, amongst our Company and the Registrar to the Offer.
- (3) Bankers to the Issuer Agreement dated [●] amongst our Company, the Registrar to the Offer, the Lead Manager, the Escrow Collection Bank(s), Sponsor Bank, Public Offer Account Bank and the Refund Bank(s).
- (4) Underwriting Agreement dated [●] amongst our Company, and the Underwriters.
- (5) Market Making Agreement dated [●] amongst our Company, the Lead Manager and the Market Maker.
- (6) Tripartite agreement dated January 18, 2023 amongst our Company, NSDL and the Registrar to the Offer.
- (7) Tripartite agreement dated January 13, 2023 amongst our Company, CDSL and the Registrar to the Offer.

#### Material Documents

- (8) Certified copies of updated MoA and AoA of our Company, amended from time to time.
- (9) Certificate of incorporation dated March 05, 2021, issued to our Company, under the name 'Shoora Designs Private Limited' by the RoC.
- (10) Fresh certificate of incorporation dated January 04, 2023, issued by the RoC, consequent conversion from private company to public company to 'Shoora Designs Limited'.
- (11) Resolution of the Board of Directors dated January 16, 2023, authorising the Issue and other related matters.
- (12) Shareholders' resolution dated January 18, 2023 in relation to the Issue and other related matters.
- (13) Resolution of the Board of Directors dated Thursday, April 06, 2023 approving the Draft Prospectus.
- (14) Consent dated February 06, 2023 from M/s February 06, 2023, Chartered Accountants, our Statutory, to include their names as required under section 26 (1) of the Companies Act, read with ICDR Regulations, in this Draft Prospectus, and as 'experts' as defined under section 2(38) of the Companies Act, in respect of their (a) examination report of Statutory Auditor dated February 06, 2023 on the Restated Financial Information, (b) report dated February 06, 2023 on the statement of special tax benefits and (c) certification in respect of key performance indicators dated February 06, 2023 disclosed in this Draft Prospectus; and such consents has not been withdrawn as on the date of this Draft Prospectus.
- (15) Consents of our Directors, our Company Secretary and Compliance Officer, Legal Advisors to the Offer, Banker(s) to our Company, Banker(s) to the Issue, the LMs, and the Registrar to the Offer.
- (16) The report dated February 06, 2023 on the statement of special tax benefits from the Statutory Auditor.
- (17) Copies of annual reports of our Company for the preceding three Fiscals.



(18) Due diligence certificate dated Thursday, April 06, 2023 addressed to the Designated Stock Exchange from the Lead Manager.

Any of the contracts or documents mentioned in this Draft 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 notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Prospectus are true and correct.

### SIGNED BY ALL THE DIRECTORS, CFO AND CS OF OUR COMPANY

Name	Designation	Signature
Mr. Satish K Kansodariya	Chairman and Managing Director	Sd/-
Mr. Rajeshbhai Labhubhai Mer	Whole Time Director	Sd/-
Mrs. Sejalben Satish Kansodariya	Non-Executive Director	Sd/-
Mr. Jigneshbhai Mer	Independent Director	Sd/-
Mr. Dharmesh Bhankhodiya	Independent Director	Sd/-
Mr. Ashwin Madhabhai Makwana	Chief Financial Officer	Sd/-
Ms. Priti Mohata	Company Secretary and Compliance Officer	Sd/-

**Place:** Surat

**Date:** Thursday, April 06, 2023