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**ASSOCIATED COATERS LIMITED**  
Corporate Identification Number: U28129WB2017PLC224001

Registered Office		Contact Person	Email and Telephone	Website
Ashuti Khanberia Maheshatala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India, 700141		Heenal Hitesh Rathod, <b>Company Secretary &amp; Compliance Officer</b>	<b>Tel:</b> +91 98304 37701 <b>Email:</b> info@associatedcoaters.in	www.associatedcoaters. in
<b>PROMOTERS OF OUR COMPANY: MR. JAGJIT SINGH DHILLON AND MRS. NAVNEET KAUR</b>				
<b>DETAILS OF THE ISSUE</b>				
Type	Fresh Issue Size	OFS Size	Total Issue Size	Eligibility
<b>Fresh Issue</b>	4,22,000* Equity Shares amounting to ₹ 510.62 Lakhs	Nil	₹ 510.62 Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 (1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED
<b>DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION: NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES</b>				
<b>RISK IN RELATION TO THE FIRST ISSUE</b>				
This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is 12.1 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 “ <i>Basis for Issue Price</i> ” on page 76 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 RISKS</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 Prospectus. Specific attention of the investors is invited to the section “ <i>Risk Factors</i> ” beginning on page 25 of this Prospectus.				
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
<b>LISTING</b>				
The Equity Shares Issued through this Prospectus are proposed to be listed on the SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).				
LEAD MANAGER TO THE ISSUE		Contact Person	Email & Telephone	
 <b>GRETEX CORPORATE SERVICES LIMITED</b>		Mr. Arvind Harlalka	<b>Email:</b> info@gretexgroup.com <b>Tel No.:</b> +91 96532 49863	
REGISTRAR TO THE ISSUE		Contact Person	Email & Telephone	
 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>		Mr. Vinayak Morbale	<b>Email:</b> ipo@bigshareonline.com <b>Tel:</b> +91 22 6263 8200	
<b>ISSUE PROGRAMME</b>				
<b>ISSUE OPENS ON: THURSDAY, MAY 30, 2024</b>			<b>ISSUE CLOSES ON: MONDAY, JUNE 03, 2024</b>	

\*Subject to finalization of Basis of Allotment



**ASSOCIATED COATERS LIMITED**  
 Corporate Identification Number: U28129WB2017PLC224001

Our Company was originally incorporated as ‘Associated Coaters Private Limited’ a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Kolkata pursuant to Certificate of Incorporation dated December 22, 2017. The name of the company was changed from ‘Associated Coaters Private Limited’ to ‘Associated Coaters Limited’, consequent to conversion of our company from private limited company to public limited company, pursuant to Special Resolution passed by the shareholders of our Company in the Extra-ordinary General Meeting held on October 24, 2023, and a fresh certificate of incorporation consequent to change of name was issued by ROC, Kolkata on December 19, 2023. The corporate identification number of our company is U28129WB2017PLC224001. For further details please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on Page 121 of this Prospectus.

**Registered Office:** Ashuti Khanberia Maheshstala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India, 700141  
**Telephone:** +91 98304 37701; **Email:** info@associatedcoaters.in; **Website:** www.associatedcoaters.in;  
**Contact Person:** Heenal Hitesh Rathod, Company Secretary and Compliance Officer;  
**Corporate Identification Number:** U28129WB2017PLC224001

<b>THE ISSUE</b>	
<p>PUBLIC ISSUE OF 4,22,000* EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH (“EQUITY SHARES”) OF ASSOCIATED COATERS LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 121.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 111.00 PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ 510.62 LAKHS (“THE ISSUE”) OF WHICH 66,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH FOR CASH AT A PRICE OF ₹ 121.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 111.00 PER EQUITY SHARE AGGREGATING TO ₹ 79.86 LAKHS 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 3,56,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH AT A PRICE OF ₹ 121.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 111.00 PER EQUITY SHARE AGGREGATING TO ₹ 430.76 LAKHS (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 31.21 % AND 26.33 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</p> <p><i>*Subject to finalization of Basis of Allotment</i></p>	
<b>THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10.00 AND THE ISSUE PRICE IS 12.1 TIMES OF THE FACE VALUE OF THE EQUITY SHARES</b>	
<p>In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the Post-Issue Paid-up Equity Share Capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI (ICDR) Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, 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 to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail individual Applicants shall be allocated that higher percentage. All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RILs, if applicable, which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to ‘<i>Issue Procedure</i>’ on page 193 of this Prospectus. A copy will be filed with the Registrar of Companies as required under Sections 26 and 32 of the Companies Act, 2013.</p>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
<p>This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10.00. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in ‘<i>Basis for Issue Price</i>’ beginning on page 76 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled ‘<i>Risk Factors</i>’ beginning on page 25 of this Prospectus.</p>	
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>	
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading, in any material respect.</p>	
<b>LISTING</b>	
<p>The Equity Shares issued through the Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received ‘in-principle’ approvals from BSE for the listing of the Equity Shares pursuant to letter dated April 01, 2024. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Limited.</p>	
<b>LEAD MANAGER TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>GRETEX CORPORATE SERVICES LIMITED</b>                  A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Delisle Road, Mumbai, Maharashtra, India, 400013.  <b>Tel No.:</b> +91 96532 49863  <b>Email:</b> info@gretexgroup.com  <b>Website:</b> www.gretexcorporate.com  <b>Contact Person:</b> Mr. Arvind Harlalka  <b>SEBI Registration No:</b> INM000012177  <b>CIN:</b> L74999MH2008PLC288128</p>	 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b>                  S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India  <b>Tel No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299  <b>E-mail:</b> ipo@bigshareonline.com  <b>Investor Grievance E-mail:</b> investor@bigshareonline.com  <b>Website:</b> www.bigshareonline.com  <b>Contact Person:</b> Mr. Vinayak Morbale  <b>SEBI Registration No.:</b> INR000001385  <b>CIN:</b> U99999MH1994PTC076534</p>
<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPENS ON: THURSDAY, MAY 30, 2024</b>	<b>ISSUE CLOSURES ON: MONDAY, JUNE 03, 2024</b>

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

*Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Statements as Restated”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 81, 144, 227, 76, 121, 172 and 161 respectively, shall have the meaning ascribed to such terms in the relevant section.*

#### **GENERAL TERMS**

<b>Term</b>	<b>Description</b>
“Company”, “our Company”, “the Company”, “the Issuer”, “Associated Coaters” or “ACL”	Associated Coaters Limited (formerly known as Associated Coaters Private Limited), a public limited company incorporated in India under the Companies Act, 2013 having its registered office at Ashuti Khanberia Maheshstala LP 20/83/46, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, Kolkata 700141, West Bengal, India.
Promoter(s) / Core Promoter	Mr. Jagjit Singh Dhillon and Ms. Navneet Kaur.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <b>Our Promoters and Promoter Group</b> ” on page 138 of this Prospectus.

#### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Associated Coaters Limited, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 124 of this Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s. JMP Associates, Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <b>General Information</b> ” beginning on page 50 of this Prospectus.
Banker to our Company	Indian Bank as disclosed in the section titled “ <b>General Information</b> ” beginning on page 50 of this Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled “ <b>Our Management</b> ” beginning on page 124 of this Prospectus.
CIN / Corporate Identification Number	U28129WB2017PLC224001
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 50 of this Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 50 of this Prospectus.
Director(s) / our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹ 10.00 each unless otherwise specified in the context thereof.

<b>Term</b>	<b>Description</b>
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Financial Statements as Restated	The financial information of the Company which comprises of the Restated Statement of Assets and Liabilities as at period ended on December 31, 2023 and Financial Years ended on March 31, 2023, 2022 and 2021, the Restated Statement of Profit and Loss and the Restated Cash Flow Statement for the period ended December 31, 2023 and Financial Years ended March 31, 2023, 2022 and 2021, and the related notes, schedules and annexures thereto included in this Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “ <b>Our Group Companies</b> ” on page 171 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ <b>Our Management</b> ” beginning on page 124 of this Prospectus.
ISIN	International Securities Identification Number, being INE0RIQ01013
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ <b>Our Management</b> ” beginning on page 124 of this Prospectus.
MD or Managing Director	The Managing Director of our Company Mr. Jagjit Singh Dhillon
Materiality Policy	The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on December 22, 2023 in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “ <b>Our Management</b> ” beginning on page 124 of this Prospectus.
Registered Office & Unit I	Ashuti Khanberia Maheshtala LP 20/83/46, Vivekanandapur, South 24 Parganas, Thakurpukur Maheshtala, Kolkata 700141, West Bengal, India.
RoC / Registrar of Companies	Registrar of Companies, Kolkata.
Senior Management	The officers and personnel of the issuer who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
Stakeholders’ Relationship Committee	The Stakeholder’s Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled “ <b>Our Management</b> ” beginning on page 124 of this Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
You or Your or Yours	Prospective Investors in this Issue.

## ISSUE RELATED TERMS

<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 having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.



Term	Description
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations
Application 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 investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ <b>General Information</b> ” on page 50 of this Prospectus.
Bankers to the Issue / Refund Banker	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 Axis Bank Limited.
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “ <b>Issue Procedure</b> ” on page 193 of this Prospectus
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
BSE SME	SME Platform of BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Circular’s on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant’s beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996

<b>Term</b>	<b>Description</b>
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of 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.
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>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.</p> <p>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.</p>
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Limited having its registered office at A-401, Floor 4 <sup>th</sup> , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Delisle Road, Mumbai-400013, Maharashtra, India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	BSE Limited.
Draft Prospectus	This Draft Prospectus dated December 30, 2023 filed with the BSE Limited in accordance with the SEBI ICDR Regulations
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated April 29, 2024, entered into amongst the Company, Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First / Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	Fresh Issue of 4,22,000* Equity Shares of face value ₹ 10.00 each of Associated Coaters Limited for cash at a price of ₹ 121.00 per Equity Shares (including premium of ₹ 111.00 per Equity Shares) aggregating ₹ 510.62 Lakhs by our Company.

Term	Description
	<i>*Subject to finalization of Basis of Allotment</i>
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, 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 no. (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, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of 4,22,000* Equity Shares of face value ₹ 10.00 each of Associated Coaters Limited for cash at a price of ₹ 121.00 per Equity Shares (including premium of ₹ 111.00 per Equity Shares) aggregating ₹ 510.62 lakhs by our Company. <i>*Subject to finalization of Basis of Allotment</i>
Issue Agreement	The Issuer agreement dated December 23, 2023, and addendum to the issue agreement dated May 13, 2024 entered between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription
Issue Opening Date	The date on which the Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective Applicants can submit their Applications, including any revisions thereof.
Issue Price	The price at which Equity Shares are being issued by our Company being ₹ 121.00 per Equity Share (including securities premium of ₹ 111.00 per Equity Share)
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 69 of this Prospectus.
Lead Manager / LM	The Lead Manager to the Issue, in this case being Gretex Corporate Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,000 and in multiples of 1,000 thereafter; subject to a minimum allotment of 1,000 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated December 23, 2023 and addendum to the market making agreement dated May 13, 2024 between our Company, the Lead Manager and Market Maker.
Market Maker Reservation Portion	66,000 Equity Shares of ₹ 10.00 each at ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 79.86 Lakhs reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=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
Minimum Promoters' Contribution	Aggregate of 20% 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% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.



<b>Term</b>	<b>Description</b>
Net Issue	The Issue excluding the Market Maker Reservation Portion of 3,56,000 Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating ₹ 430.76 Lakhs by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.
Refund Account	Account to which Application monies to be refunded to the Applicants.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated December 23, 2023 and addendum to the Registrar agreement dated May 13, 2024 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being Axis Bank Limited
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Limited.
Underwriting Agreement	The agreement dated December 23, 2023 and addendum to the Underwriting agreement dated May 13, 2024 entered into between the Underwriters, our Company and the Lead Manager.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.

<b>Term</b>	<b>Description</b>
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the 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 authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### **CONVENTIONAL AND GENERAL TERMS**

<b>Term</b>	<b>Description</b>
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CGST	Central GST
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number

<b>Term</b>	<b>Description</b>
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961

<b>Term</b>	<b>Description</b>
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC	The Registrar of Companies (Kolkata)
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time

<b>Term</b>	<b>Description</b>
SEBI (LODR) Regulations	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
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

#### **TECHNICAL / INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Full Form</b>
ARTIST	Asian Research and Training Institute for skill Transfer
AI	Artificial Intelligence
BOT	Build-Operate-Transfer
CAGR	Compounded Annual Growth Rate
CAD	Current Account Deficit
CAZRI	Central Arid Zone Research Institute
CC	Commencement Certificate
CFA	Certified Financial Analyst
DA	Development Agreement
DPA	Deendayal Port Authority
FSI	It is the ratio of the Internal Floor Area and Saleable Area.
GDP	Gross Domestic Product
GFC	Global financial Crises
ICAR	Indian Council of Agricultural Research
IOA	Intimation of Approval
M&M	Mergers and Acquisitions
PE	Private Equity

#### **ABBREVIATIONS**

<b>Abbreviation</b>	<b>Full Form</b>
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account



AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
BSE SME	SME Platform of BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CCI	The Competition Commission of India
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA / ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM / EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM / EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax

FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI / Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICMAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ` / Rupees / Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e.	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account

NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P / E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US / United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION**

In this Prospectus, the terms “we”, “us”, “our”, “the Company”, “our Company”, “Associated Coaters” “Associated Coaters Limited” and “ACL”, unless the context otherwise indicates or implies, refers to Associated Coaters Limited.

### **CERTAIN CONVENTION**

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

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Prospectus is derived from our Audited Restated Financial Statements for the period ended on December 31, 2023 and financial years ended on March 31, 2023; 2022; and 2021 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “**Reports in Company Prospectus (Revised 2019)**” issued by ICAI and the Indian GAAP which are included in this Prospectus, and set out in “*Financial Statements as Restated*” on page 144 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on page 144 of this Prospectus.

### **CURRENCY AND UNITS OF PRESENTATION**

In this Prospectus, unless the context otherwise requires, all references to

- a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India;
- b) ‘US Dollars’ or ‘US \$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

## DEFINITIONS

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page 4 of this Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page 227 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information, and sources. Industry and 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 are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified either by the Company or the Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI (ICDR) Regulations, “*Basis for Issue Price*” on page 76 of this Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 25 of this Prospectus.

## EXCHANGE RATES

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

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

Currency	As on December 30, 2023
1 Chinese Yuan	11.76

Currency	As on May 24, 2024
1 Chinese Yuan	11.35

Source: [www.sbi.co.in](http://www.sbi.co.in)

All figures are rounded up to two decimals

## TIME

All references to time in this Prospectus are to Indian Standard Time. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Prospectus are to a calendar year.



## FORWARD LOOKING STATEMENTS

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

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

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

- Impact of the COVID-19 pandemic on our business and operations;
- Geographical concentration of business to key cities
- Significant increases in prices of, or shortages of, or disruption in supply of labour and key building materials;
- Our ability to attract, retain and manage qualified personnel;
- General economic and business conditions in India and other countries;
- Our ability to successfully implement our growth strategy and expansion plans, technological changes;
- Changes in fiscal, economic or political conditions in India;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Failure to adapt to the changing scenarios in our industry of operation may adversely affect our business and financial condition;
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Conflict of Interest with group companies, the promoter group and other related parties
- Changes in the value of the Rupee and other currencies;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 25, 99 and 147 of this Prospectus, respectively.

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

## **SECTION II: SUMMARY OF ISSUE DOCUMENT**

The following is a general summary of the terms of the Offer included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections titled “**Risk Factors**”, “**The Offer**”, “**Capital Structure**”, “**Objects of the Offer**”, “**Industry Overview**”, “**Our Business**”, “**Our Promoters and Promoter Group**”, “**Financial Information**”, “**Outstanding Litigation and Other Material Developments**” and “**Offer Procedure**” on pages 25,45,58 ,69,84,99,138,144,161 and 193, respectively of this Prospectus.

### **OVERVIEW OF INDUSTRY**

The reforms of the 1990s have been associated with the expansion of the service sector in India. Midway through the 1980s, the service sector began to expand, but it took off in the 1990s when India started a series of economic reforms in response to a serious balance of payments issue.

The services sector is not only the dominant sector in India’s GDP but has also attracted significant foreign investment, has contributed significantly to exports and has provided large-scale employment. India’s services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. To enhance India’s commercial services exports, share in the global services market from 3.3% and permit a multi-fold expansion in the GDP, the government is also making significant efforts in this direction.

For further details, please refer to the chapter titled “**Industry Overview**” beginning on Page 84 of this Prospectus.

### **OVERVIEW OF BUSINESS**

Our Company is engaged in the business of providing services by way of pre-treatment and powder coating of aluminium extrusions in Architect and Real Estate Industry. The process begins with a comprehensive cleaning, where the targeted surface of aluminium extrusions is thoroughly cleansed of any dirt, grease, or contaminants that might impede the subsequent coating process. Following this, a strategic chemical solution is applied to enhance the adhesion of the powder coating. This involves the application of an acidic solution for surface etching or the use of a specialized pretreatment agent to optimize surface wettability.

For further details, please refer to chapter titled “**Our Business**” beginning on Page 99 of this Prospectus.

### **OUR PROMOTERS**

Promoters of Our Company are Mr. Jagjit Singh Dhillon and Mrs. Navneet Kaur. For further details please refer to the chapter titled “**Our Promoters and Promoter Group**” beginning on Page 138 of this Prospectus.

### **DETAILS OF THE ISSUE**

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Issue of 4,22,000* Equity Shares of ₹10.00 each for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 510.62 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	66,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹79.86 Lakh.
<b>Net Issue to the Public</b>	3,56,000* Equity Shares of ₹ 10.00 each for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 430.76 Lakh.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for up to ₹2.00 Lakh</b>	1,78,000* Equity Shares of ₹10.00 each for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 215.38 Lakh.

<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	1,78,000* Equity Shares of ₹10.00 each for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹215.38 Lakh.
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\*Subject to finalization of Basis of Allotment

## OBJECT OF THE ISSUE

The Net Proceeds of the Issue are proposed to be used in accordance with the details provided in the following table.

		(₹ in Lakhs)
Particulars		Amount
Funding Capital Expenditure towards installation of Plant & Machinery in our existing premises		145.16
Working Capital Requirements		200.00
General Corporate Purpose		48.86
<b>Total</b>		<b>394.02</b>

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

Sr. No.	Category of Promoter	Pre – Issue	
		No. of Shares	As a % of paid-up Equity Capital
<b>A)</b>	<b>Promoter</b>		
1	Jagjit Singh Dhillon	6,19,814	66.65
2	Navneet Kaur	3,10,000	33.33
	<b>Total (A)</b>	<b>9,29,814</b>	<b>99.98</b>
<b>B)</b>	<b>Promoter Group</b>		
1	Jaswinder Singh	31	Negligible
2	Sarabjit Kaur	31	Negligible
3	Palwinder Kaur	31	Negligible
4	Paramjit Singh	31	Negligible
5	Harwinder Kumar	31	Negligible
6	Bhupinder Singh	31	Negligible
	<b>Total (B)</b>	<b>186</b>	<b>0.02</b>
	<b>Promoter and Promoter Group (A+B)</b>	<b>9,30,000</b>	<b>100</b>

## SUMMARY OF RESTATED FINANCIAL INFORMATION

Particulars	(₹ in Lakhs)			
	For the period ended on	For the financial year ended on		
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Share Capital	93.00	3.00	3.00	3.00
Reserves and surplus	48.11	67.34	13.05	(0.62)
Net Worth	141.11	70.34	16.05	2.38
Total Income	397.00	358.94	139.41	-
Profit after Tax	75.77	54.30	13.67	(0.14)
Total Borrowings	9.90	9.90	10.10	0.20
<b>Other Financial Information</b>				
Basic & Diluted EPS (₹) (Post Bonus)	8.15	5.84	1.47	(0.01)
Return on Net worth (%)	53.69	77.19	85.17	(5.71)
Net Asset Value Per Share (₹) (Pre-Bonus)	15.17	234.48	53.50	7.93
Net Asset Value Per Share (₹) (Post Bonus)	15.17	7.56	1.73	0.26

## QUALIFICATION OF THE AUDITORS

The Auditor's Report of Audited Restated Financial Statements for the period ended on December 31, 2023 and Financial Years ended on March 31, 2023, 2022 and 2021 does not contain any qualification which have not been given effect to in Restated Financial Statements.

#### SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

As on date of this Prospectus, our company has no outstanding Litigation.

For the details of litigation proceedings, please refer the chapter titled "*Outstanding Litigations and Material Developments*" beginning on page 161 of this Prospectus.

#### RISK FACTORS

Investors should read chapter titled "*Risk Factors*" beginning on page 25 of this Prospectus.

#### SUMMARY OF CONTINGENT LIABILITIES

Our Company does not have any Contingent Liabilities as on date of this Prospectus.

For further information, please see "*Financial Statements as Restated*" beginning on page 144 of this Prospectus.

#### SUMMARY OF RELATED PARTY TRANSACTIONS

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

(₹ in Lakhs)					
Particulars	Nature of Relationship	31.12.2023	31.03.2023	31.03.2022	31.03.2021
<b>i) Outstanding Balance of Short term and long-term borrowings from Directors and other related parties</b>					
Jagjit Singh Dhillon	Director	9.9	9.9	10.1	0.2
<b>ii) Directors Reimbursement</b>					
Jagjit Singh Dhillon	Director	3.6	10	5	-
Navneet Kaur	Director	1.8	6	5	-
<b>iii) Factory Rent Paid/Payable</b>					
Associated Fabricators	Significant Influence	3.6	3.6	1.5	-
<b>iv) Labour Charges Paid/Payable</b>					
Associated Fabricators	Significant Influence	7.76	11.49	7.54	-
<b>v) Maintenance Charges Paid / Payable</b>					
Associated Fabricators	Significant Influence	-	-	-	-
<b>vi) Purchase</b>					
Associated Fabricators	Significant Influence	59.01	83.22	29.49	
(Proportion of total purchase) in %		29.03%	46%	52%	

For details of the Related Party Transactions as reported in the Restated Financials, please refer "*Financial Statements as restated- Related Party Transaction*" beginning on page 142 of this Prospectus.

#### FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Directors of our Company and their relatives and financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 months immediately preceding the date of filing of this Prospectus.

#### WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus is as below:

Name of the Promoter	Weighted Average Price (₹)
Jagjit Singh Dhillon	NIL
Navneet Kaur	NIL



Our promoters have acquired Equity Shares in the last one (1) year preceding the date of this Prospectus, under the bonus issue, thus the weighted average price of equity share is NIL.

#### **AVERAGE COST OF ACQUISITION**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

<b>Name of the Promoter</b>	<b>Average Cost of Acquisition (₹)</b>
Jagjit Singh Dhillon	0.32
Navneet Kaur	0.32

#### **PRE-IPO PLACEMENT DETAILS**

Our Company has not proposed any Pre-IPO Placement in this Issue.

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Other than as disclosed in “*Capital Structure*” beginning on page 58 of this Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Prospectus.

#### **SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Other than as disclosed in “*Capital Structure*” beginning on page 58 of this Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

#### **SEBI EXEMPTION**

Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.

### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

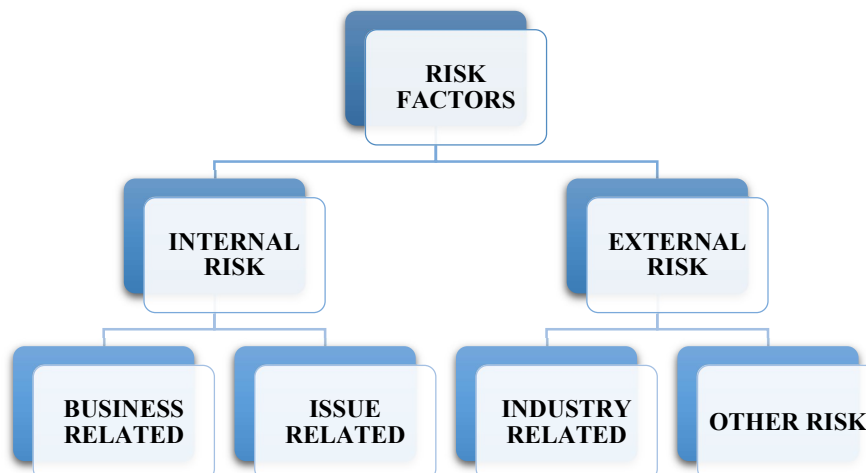
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled **“Our Business”** beginning on page 99 **“Our Industry”** beginning on page 84 and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** beginning on page 147 respectively, of this Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled **“Definitions and Abbreviations”** beginning on page 4 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding:



## INTERNAL RISKS

### A. BUSINESS RELATED RISKS

#### 1. *Our Registered Office from where we operate is not owned by us.*

Our Registered Office from where we operate is not owned by us. Our Registered Office premise situated at Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India 700141 is not owned by us, it is taken on a rent basis from our promoter and Managing Director, Mr. Jagjit Singh Dhillon, being the owner of the property. There is a leave and license agreement dated 1st April 2023, stating out the terms and conditions, pertaining to the same. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For further details of our Business, please refer chapter titled “*Our Business*” beginning on Page 99 of Prospectus.

#### 2. *The factory premises from where we operate our business operations are not owned by us.*

The factory premises from where we operate our business operations are not owned by us. The factory premises situated at (a) Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India 700141 (b) LP, 4/84/4, Ganipur Maheshtala, B.R. Road(W) Kolkata, West Bengal, India 700141 and (c) Ganipur, Maheshtala, 24 Parganas 743352 respectively, are not owned by us, it is taken on a rent basis from our promoter and Managing Director, Mr. Jagjit Singh Dhillon, being the owner of the property. There are leave and license agreements dated 1st April 2023 and 1st October 2023 respectively, stating out the terms and conditions, pertaining to the same. If we are required to vacate the current premises, we would be required to make alternative arrangements for new factories and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For further details of our Business, please refer chapter titled “*Our Business*” beginning on Page 99 Prospectus.

#### 3. *Our company had bought assets from our Promoter Mr. Jagjit Singh Dhillon and had not taken the valuation report to determine the price of the assets and also the price for such assets has not yet been paid.*

Our company acquired the assets from our promoter Mr. Jagjit Singh Dhillon. At the time of such acquisition, the assets were not valued and no Valuation Report was obtained from a Registered Valuer and the assets were acquired on an as is basis. In the absence of a Valuation Report, we cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. In case of any dis-agreements or disputes in the future, we shall be liable to look for new arrangements pertaining to the Assets and Properties acquired and we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

#### 4. *Our top five customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.*

Our top five customers have contributed 78.89% of our revenues for the period ended December 31, 2023 based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business, we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

Below is the table containing sales made to the Top 5 Customers of our Company:

Top 5 Customer						
Particulars	31.03.2022		31.03.2023		31.12.2023	
	Amount (Rs. lakhs)	% of Total Sales	Amount (Rs. lakhs)	% of Total Sales	Amount (Rs. lakhs)	% of Total Sales
Top 1	41.44	29.73%	59.50	16.58%	157.16	39.59%
Top 2	26.32	18.88%	91.43	25.47%	72.19	18.18%
Top 3	26.77	19.20%	60.42	16.83%	61.28	15.44%
Top 4	9.86	7.08%	27.82	7.75%	12.60	3.17%
Top 5	-	-	-	-	9.96	2.51%
<b>Sales to Top 5 Customers</b>	<b>118.70</b>	<b>85.14%</b>	<b>265.58</b>	<b>73.99%</b>	<b>313.19</b>	<b>78.89%</b>

**5. The holding period of our Trade Receivables and Trade payables is high.**

Our company is in the business of manufacturing and supplying fabricated parts and press parts like Telecommunication parts, diesel engine parts, diesel engine brackets, Weighbridges, deep drawn parts having a specialty of hot dip galvanizing of metal parts. Being in service industry, it takes a longer period to complete the assignment and receive payment from the receivables, hence our trade receivable days are longer than usual. Our inability to receive payments on a timely manner can affect our working-capital cycle and profitability in long run.

Similarly, the payments made to vendors are on similar terms and are usually made after receipt of sales proceeds. Hence, our trade payable days are higher than the receivable days. We have such credit period from our suppliers to facilitate this kind of delayed payments. However, any change in credit period by our suppliers may lead to cash crunch and affect the operations of our business.

The details of our trade receivables and trade payables for the last 3 financial year are as follows:

Particulars	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Trade Receivables	195	153	356	0
Trade Payables	286	207	626	0

**6. We have entered into related party transactions in the past and may continue to do so in the future. We had and have related party transaction with "Associated Fabricators" for more than or equal to 20% of total Purchases and such transaction may continue in the future.**

Our Company has entered into various transactions with our Promoters. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "**Related Party Transactions**" beginning on page 142 of the Prospectus.

These transactions include, among other things, purchase of raw materials. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act, 2013 and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter into post-listing, will be subject to Board or Shareholder approval, as necessary under the Companies Act, the SEBI Listing Regulations and other application laws. Further, it is likely that we may enter into additional related party transactions in the future. Such future related party transactions may potentially involve conflicts of interest.

The table below provides details of absolute sum of all related party transactions and the percentage of such related party transactions to our revenue from operations in the years indicated:

Particulars	Nature of Relationship	31.12.2023	31.03.2023	31.03.2022	31.03.2021
<b>i) Outstanding Balance of Short term and long-term borrowings from Directors and other related parties</b>					
Jagjit Singh Dhillon	Director	9.9	9.9	10.1	0.2
<b>ii) Directors Remuneration</b>					
Jagjit Singh Dhillon	Director	3.6	10	5	-
Navneet Kaur	Director	1.8	6	5	-
<b>iii) Factory Rent Paid / Payable</b>					
Associated Fabricators	Significant Influence	3.6	3.6	1.5	-
<b>iv) Labour Charges Paid / Payable</b>					

Associated Fabricators	Significant Influence	-	11.49	7.54	-
<b>v)Maintenance Charges Paid / Payable</b>					
Associated Fabricators	Significant Influence	7.76	-	-	-
<b>vi)Purchase</b>					
Associated Fabricators	Significant Influence	59.01	83.22	29.49	
(Proportion of total purchase) in %		27%	46%	52%	

**7. We have applied for Registration and Grant or Renewal of license and notice of occupation specified in Section 6 & 7 of the Factories Act, 1948 but the same has not been granted to us as on date.**

We have applied for Registration and Grant or Renewal of license and notice of occupation specified in Section 6 & 7 of the Factories Act, 1948 for our Unit I bearing application number CAF2023766539 dated December 23, 2023 and same has not been granted to us as on date. The Application for registration for Unit no. II and III is yet to be made by the Company. We cannot assure you that any application for Registration of and Grant or Renewal of license and notice of occupation in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our factories may not be adequate and may lead to erosion of our business, excess outflow of our finances and our operations could be adversely affected. Any litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to take appropriate and timely steps in this regard.

**8. Our business is capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.**

Our business requires a significant amount of working capital which is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of working capital are required to finance the purchase or manufacturing of materials, mobilization of resources and other work on projects before payment is received from clients. Our working capital requirements may increase due to an increase in the size of our operations and the number and size of projects that are required to be executed within a similar timeframe.

Our capital expenditure requirements and growth strategy thus require continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future project and acquisition financings, debt or equity, on terms acceptable to us. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, the continued success of current projects and laws that are conducive to our raising capital in this manner.

**9. There are certain discrepancies / errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.**

There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the E-forms filed by our Company with the ROC in past years.

The following discrepancies have been mentioned in the forms filed by the Company with the Registrar of Companies under the provisions of Companies Act, 2013:

Form ADT-1 filed on 17.04.2019 with respect to appointment of M/s. 'Suvankar Haldar and Associates' as 'Statutory Auditors' of the Company for a period commencing from 22.12.2017 to 31.03.2022 does not contain the extract of the resolution passed by the shareholders of the Company. However, the extract of the Board resolution passed by the Board is duly attached in the said form.

The attachment in form MGT 14 filed on 07.12.2023 for appointment of lead manager for the Initial Public Offer of the Company wrongly states the name of "GYR Capital Advisors Private Limited" as lead manager instead of "Gretex Corporate Services Limited". However, the same has been rectified by filing afresh MGT 14 with the correct attachment on 18.12.2023.

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. There are few discrepancies noticed in some of our corporate records relating to adhering with the provisions of SS-1 and SS-2 of the Companies Act, 2013 which inter alia includes non-stamped and unsigned



documents attached in the forms, time of conclusion of the meeting not included in the certified true copy of resolution, date of the Board Meeting mentioned in the resolution was incorrect.

Other errors in the forms, such as wrong date of meeting, requisite attachments were not attached, late filing of forms, etc. However, as there was no error on the MCA master data hence no major action were taken for the same. Some forms were filed after the due date of the respective forms. Supporting documents attached in some of the Forms are not signed and stamped by the requisite authority. Though the Company is ensuring to comply with all the shortcomings, however any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent.

Although no notices have been issued upon our Company yet but there may be instances where by notices may be issued to our company and fines or penalties may also be imposed upon our Company, which may adversely affect our administration from compliance perspective. There can be no assurance that no penal action will be taken against us by the regulatory authorities with respect to the non-compliances. If any adverse actions are taken against us, our financial results could be affected. Additionally, we have strengthened our internal compliance system by introducing the 'Maker Checker' System and have undertaken steps to update the internal database with latest circulars and amendments to ensure future compliance. In the event the Company fails to submit the requisite disclosures to the regulators in the future, then the Company may be penalised by the regulators and the same may affect our results of operations.

***10. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

***11. Our business is manpower intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We are in services industry and our business is dependent on human resource for carrying out its operations. Shortage of skilled / unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain, flexible policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

***12. Our Company has a negative cash flow in its Investing activities of the Company in period ended on December 31, 2023 and the Financial year ended on March 31, 2023 and March 31, 2022 and Financing Activities in the Financial year ended on March 31, 2022. Sustained negative cash flow could impact our growth and business.***

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

**(₹ in lakh)**

Particulars	For The period Ended on	For The Financial Year Ended On		
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash used in Operating Activities	26.66	62.81	51.56	0.0
Net Cash used in Investing Activities	(49.50)	(3.33)	(55.97)	0.0
Net Cash from Financing Activities	(5.04)	(0.74)	9.89	0.0

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

**13. Our company purchases raw materials from proprietorship firm of our promoter.**

Our company purchases raw materials from a supplier which is owned by our promoter. A proprietorship firm of our promoter named Associated Fabricators is engaged in the similar line of business like ours and most our raw material purchases is from the same entity. As per financials for the period ended on December 31, 2023 and for the financial year ended on March 31, 2023 and March 31, 2022 the purchases from the related party were amounting Rs. 59.01 Lakh, Rs. 83.22 and Rs. 24.29 Lakhs respectively and they contributed to 26.52%, 46.33% and 51.77% of the total purchases of our Company. Since large quantum of our Purchases is from our related party there can be instances in future where if for any reason the supply of raw material is stopped or delayed, this would directly affect our sales and would result in financial loss to our company.

**14. There may be potential conflict of interests between our Company and other venture or enterprises promoted by our promoter.**

Our Promoter Mr. Jagjit Singh Dhillon runs a sole Proprietorship named Associated Fabricators. The main business object / activities of firm permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favor other companies in which our Promoter have interest.

**15. There are no long-term supply agreements with our vendors / suppliers.**

Our Business may be adversely affected if there is any disruption in the trading material supply or due to non-availability of trading material. We do not have written agreements with our vendors / suppliers and we operate on a purchase order system. There are no long-term supply agreements for the trading material. In absence of any such formal contract with our vendors / suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or price variation which would materially affect our results of operations. In the event of any disruption in the supply or the non-availability of material in the required quantity and of required quality from alternate source, the supply schedule to our clients may be adversely be affected impacting the sales and profitability of the Company.

**16. Our individual Promoters plays key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter and Executive Directors remain associated with us.**

Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations. We benefit from our relationship with our individual Promoters and our success depends upon the continuing services of our Promoters and Executive Directors who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters and Executive Directors have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters and executive Directors. If our Promoters and Executive directors are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, it may take reasonable time to locate suitable or qualified replacements and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue, to manage and expand our business. Our Promoters and Executive Directors, along with the key managerial personnel, have over the years built relations with various customers and other persons who form part of our stakeholders and are connected with us. The loss of their services could impair our ability

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

**17. *Our Company had not made any provision for payment of gratuity to our employees. As per provision of Payment of Gratuity Act, 1972 (Act) a scheme for the payment of gratuity to employees shall be made upon applicability of the Act.***

Our company failed to determine the applicability of the act although the number of employees of the company has crossed the threshold limit as mentioned in the Act. Since the company was not aware of the applicability, the company failed to maintain any provisions for gratuity in any of the past financials' years. Upon identification of this non-compliance the same was rectified in the restated financials by taking actuarial valuation and making appropriate provisions for gratuity. Although no complaint had been filed against our company for noncompliance under any section of Act, and also no-show cause notice in respect of the above has been received by the Company till date. But if the company is found to be in default in complying with any of the provisions of this Payment of Gratuity Act, 1972 or any rule or order made thereunder the employer shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to Twenty-Five thousand rupees, or with both. Upon any such action the financial position of the company may be impacted.

**18. *We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be obtained by the Issuer Company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Presently, we have applied for updating licenses and approvals in the name of "Associated Coaters Limited" from "Associated Coaters Private Limited". Also, we are yet to receive and renew several approvals and licenses. The Issuer Company is in the process of obtaining the same. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. The Company with respect to Registration under Employees State Insurance Act, 1948 has not freshly applied for the Registration. The Registration under Employees State Insurance Act, 1948 was in the name of Associated Coaters, a sole proprietorship firm, which was later transferred to the Company. Since, the Registration is transferred to the Company, hence, the Company cannot apply for a new registration. For further details, please see chapters titled "Government and Other Statutory Approvals" at page 167 of this Prospectus.

**19. *Our revenues are dependent upon our meeting specific customer requirements largely on a case-to-case basis. Any failure or limitation on our ability to provide services may detrimentally affect our future growth.***

Our assignments for providing services largely involve us, in providing end-to-end solutions to the aluminum fabrication industry on a case to-case basis, depending upon the needs of each customer. Our inability to provide solutions could lead to erosion of our market image and brand value, which could lead to customers discontinuing their work with us and stagnation of our customer base, which in turn could harm our business and consolidated profitability. Our Company's future growth will depend on our continued evolution of specific sets of services to deal with the rapidly evolving and diverse needs of our customers in a cost competitive and effective manner.

**20. *Stringent environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.***

Our operations are subject to environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Our operations may generate significant amounts of pollutants and waste, some of which may be hazardous. We are accordingly subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the clean-up of contaminated sites. Non-compliance with these laws and regulations, which among other things, limit or prohibit emissions or spills of toxic substances produced in connection with our operations, could expose us to civil penalties, criminal sanctions and revocation of key business licenses. Environmental laws and regulations in India are becoming more stringent, and the

scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations, financial condition, or cash flows. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

***21. Any slowdown or work stoppages at our project sites may have effect on our business, financial condition and results of operations.***

Our projects are subject to various operational risks including, among various factors, the breakdown or failure of equipment, delay in shutdown of existing lines or processes, labor disputes, natural disasters, accidents and the need to comply with applicable legal and regulatory requirements. The occurrence of any of these factors could significantly affect our results of operations and financial condition. Any disruption in our operations due to disputes or other issues with our employees or contract labor work force may adversely affect our business and results of operations. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, there can be no assurance that we will not face such disruptions in the future.

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

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

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customer's discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Further, we operate in highly competitive markets in relation to our products where it is difficult to predict whether and when we will receive such awards. As a result, our results of operations can fluctuate from quarter to quarter and year to year depending on whether and when such orders are awarded to us and the commencement and progress of work under the orders placed. For further details of our business, please refer chapter titled "***Our Business***" beginning on Page 99 of this Prospectus.

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

The market in which our company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes such as technical competence, distribution network, pricing and timely delivery. Some of our competitors may have longer industry


experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.


**25. *Improper storage, processing and handling of raw materials and finished products may cause damage to our inventory leading to an adverse effect on our business, results of operations and cash flows.***

Our inventory primarily consists of raw materials and finished products. Our raw materials are susceptible to moisture contamination if not appropriately stored, handled and processed, which may affect the quality of the finished product. In the event such a contamination is detected at the facility during quality checks, we may be required to take appropriate measures to decontaminate the raw materials to the extent possible, which could materially and adversely affect our business, financial condition, results of operations, or cash flows. Improper storage may also result in higher than usual spoilage of inventory due to adverse weather conditions or longer than usual storage periods, which may also require us to incur additional expenses in replacing that portion of the inventory and/ or incur additional expenses in maintenance and improvement of our storage infrastructure, which may adversely affect our profit margins.

**26. *Our ability to grow our business depends on our relationships with our dealers and customers, and any adverse changes in these relationships, or our inability to enter into new relationships, could negatively affect our business and results of operations.***

Our business is dependent on the decisions and actions of our dealers which is determined by our ability to maintain and strengthen our relationships and arrangements with existing dealers as well as our ability to establish and maintain relationships with new dealers. Our relationship with our customers is dependent to a large extent on our ability to regularly meet their requirements, including by introducing differentiated products with greater marketability, price competitiveness, efficient and timely product deliveries, and consistent product quality. In the event if we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers. Adverse changes in our relationships with our customers or to successfully establish relationships with new customers, could therefore limit our business prospects, which could adversely affect our financial performance.

**27. *We have applied for registration of the word mark “ASSOCIATED COATERS” and logo “” but do not own the wordmark and logo legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.***

We have applied for registration of the word mark “ASSOCIATED COATERS” and logo “” under the provisions of the Trademarks Act, 1999 bearing reference number 9803020 and 9808802 respectively but do not own the word mark and logo as on date. As such we do not enjoy the statutory protections accorded to a registered trademark as on date. We have made an application with the Trade Marks Registry, for registration of our logo and corporate name under the provisions of the Trade Marks Act, 1999. There can be no assurance that we will be able to register the trademark and the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

**28. *If we fail to cost-effectively turn existing customers into repeat customers or to acquire new customers, our business, financial condition, and results of operations would be harmed.***

The growth of our business is dependent upon our ability to continue to grow by cost-effectively turning existing customers into repeat customers and adding new customers. Although we believe that many of our customers originate from word-of-mouth and other non-paid referrals, we expect to continue to acquire additional customers, all of which could impact our overall profitability. If we are not able to continue to expand our customer base or fail to retain customers, our net sales may grow more slowly than expected or decline. Our ability to attract new customers and increase net sales from existing customers also depends in large part on our ability to enhance and improve our existing products and to introduce new products and services that appeal to the customers, in each case, in a timely manner. We



also must be able to identify and originate trends, as well as anticipate and react to changing consumer demands in a timely manner. The success of new products and services depends on several factors, including their timely introduction and completion, sufficient demand, and cost effectiveness. While we expect improvements in the performance of our business and operations, any flaws or dissatisfaction with the quality, pricing of products, or changes we make to our products and services or our inability to provide high-quality support to customers or help resolve issues in a timely and acceptable manner, our ability to attract and retain customers could be adversely affected. If our number of customers declines or fluctuates for any of these or other reasons, our business would suffer and lead to negative publicity of our brand.

**29. *Breakdown of machinery and / or equipment used for the purpose of manufacturing process.***

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing process may delay the production process as a whole and result in missing deadlines in delivery of product if we are able to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

**30. *If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes or advances, our business and growth could be adversely affected.***

Our industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. Our clients' needs and demands for our services evolve with these changes. Our future success will depend, in part, on our ability to respond to our clients' demands for new services, capabilities and technologies on a timely and cost-effective basis. We also need to adapt to technological advancements and keep pace with changing regulatory standards to address our clients' increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to our resources and the services we provide and may increase our reliance on third-party service providers. If we fail to adapt or keep pace with new technologies in a timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm our ability to compete, decrease the value of our services to our clients, and adversely affect our business and future growth.

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

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

**32. *We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and / or starting new services. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

**33. *General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets,



inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

**34. *Any deficiency in our products could make our Company liable for customer claims, which in turn could affect our Company's results of operations.***

Our Company is bound by the terms and conditions as placed before its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these customers for deficiency in our products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations. For further details of our business, please refer chapter titled **"Our Business"** beginning on Page 99 of this Prospectus.

**35. *Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised.***

Further, our management will have discretion in the application of the Net Proceeds, and there is no assurance that the Objects of the Issue will be achieved within the time frame expected or at all. We intend to use the Net Proceeds for the purposes described under **"Objects of the Issue"** on page 69 which includes, Funding capital expenditure towards installation of plant & machinery in our existing premises and Funding of working Capital Requirements of our company and balance shall be utilised for General Corporate Purposes. Our funding requirements and the deployment of the Net Proceeds are based on management estimates for which we have relied on internal assumptions and such assumptions have not been appraised by any independent agency. While we believe that utilization of Net Proceeds for repayment of loans would help us to reduce our cost of debt and enable the utilization of our internal accruals for further investment in business growth and expansion, the repayment of loans will not result in the creation of any tangible assets for our Company. Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements.

**36. *Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances.***

A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, revenue and ability to meet customer demand. Our business involves manufacturing processes that can be potentially dangerous to our employees. An accident may result in loss of life, destruction of property or equipment, manufacturing, or delivery delays, or may lead to suspension of our operations and / or imposition of liabilities. While we believe we may maintain adequate insurance, interruptions in production as a result of an accident may also increase our costs and reduce our revenue, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we or our senior management may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects. Any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

**37. *We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies in Industry.***

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or

- More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

**38. *Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.***

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our services;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

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

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

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

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

**41. *Significant disruptions in our information technology systems or breaches of data security could adversely affect our business and reputation.***

We may also face cyber threats such as: (i) Phishing and Trojans - targeting our customers, wherein fraudsters send unsolicited codes or mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (ii) Hacking – wherein attackers seek to hack into our infrastructure with the primary intention of causing reputational damage to us by disrupting services; (iii) Data theft – This can be internal i.e. by someone who has access to data of our Company or external wherein unconnected cyber

criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) Advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

Our systems are potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our clients' investors or our employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation.

***42. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

***43. The average cost of acquisition of Equity Shares by our Promoters is lower than the issue price.***

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Issue Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "***Capital Structure***" beginning on page 58 of this Prospectus.

***44. Our Promoters and Promoter Group will continue to retain majority control over the Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval.***

Upon completion of the Issue, our Promoters and Promoter Group will own 68.79% of the Post-Issue Equity Share capital of the Company. As a result, the Promoters and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. The Promoters and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoters' shareholding, please refer chapter titled "***Capital Structure***" beginning on Page No. 58 of this Prospectus.

***45. We are dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. We believe that the inputs and experience of our KMP and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their

employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining.

Further, the COVID-19 pandemic has dynamically altered the approach on workplace hygiene and safety and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees' contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the well-being of our employees.

**46. *Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.***

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

**47. *Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.***

In the event, our client's default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

**48. *There are no alternate arrangements for meeting our requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled "*Objects of the Issue*" on page 69 of this Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 143 of this Prospectus.

**50. *Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.***

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus.

In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

**51. *Our future funds requirements, in the form of fresh issue of capital or securities and / or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. 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 our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**52. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, and formulation of a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.***

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that are not waived by our lenders or are not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. Though these covenants are restrictive to some extent to the Company however it ensures financial discipline, which would help the Company in the long run to improve its financial performance. For further information, see the chapter titled "*Statement of Financial Indebtedness*" on page 145 of the Prospectus.

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

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter "*Our Management*" beginning on page 124 of this Prospectus.

**54. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

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



**55. *Excessive reliance on our information technology systems and their failure could harm our relationship with customers, expose us to lawsuits or administrative sanctions or otherwise adversely affect our provision of service to customers and our internal operation.***

As part of our business strategy, we use high quality of information technology system to deliver our services in the best possible way. We have an exemplary track record for completion of the projects within the stipulated time period but there may be the system interruptions, errors, or downtime which could result from a variety of causes including changes in technology, technology failure, changes in system, and power failure etc. these may affect our business adversely.

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

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**57. *Negative publicity could adversely affect our revenue model and profitability.***

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

**58. *Industry information included in this Prospectus has been derived from industry reports commissioned by us for such purpose. 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 depend ability 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 parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

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

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



of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**Issue Specific Risks:**

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

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

- 61. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the agriculture Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

- 62. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

- 63. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our equity Shares has been determined by fixed price method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer chapter titled "**Basis for Issue Price**" beginning on the page 76 of this Prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

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

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

## **EXTERNAL RISKS**

### **Industry Related Risks:**

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

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

**66. *Malpractices by some players in the industry affect overall performance of emerging Companies***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

### **Other Risks:**

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceed ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹ 1,00,000/- pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

**68. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Prospectus under chapter “**Financial Statements as Restated**” beginning on page 144 the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

**69. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**70. *Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “**Our Industry**” beginning on page 84 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable

to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

**74. *Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

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

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

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

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

The following is the summary of the Issue:

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Issue of 4,22,000* Equity Shares of ₹ 10.00 each for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹510.62 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	66,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 79.86 Lakh.
<b>Net Issue to the Public</b>	3,56,000* Equity Shares of ₹ 10.00 each for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 430.76 Lakh.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for up to ₹2.00 Lakh</b>	1,78,000* Equity Shares of ₹ 10.00 each at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 215.38 Lakh.
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	1,78,000* Equity Shares of ₹ 10.00 each at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) aggregating to ₹ 215.38 Lakh.
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	9,30,000 Equity Shares of ₹ 10.00 each
<b>Equity Shares outstanding after the Issue</b>	13,52,000* Equity Shares of ₹10.00 each
<b>Objects of the Issue</b>	Please refer to the chapter titled “ <b>Objects of the Issue</b> ” beginning on 69 of this Prospectus.

\*Subject to finalization of Basis of Allotment

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page 182 of this Prospectus.

(2) The present Issue has been authorized pursuant to a resolution of our Board dated December 22, 2023 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on December 26, 2023.

As per Regulation 253(2) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, the allocation in the net issue to the public category shall be made as follows:

Minimum 50% (fifty percent) to Retail Individual Investors; and

Remaining to:

- a) Individual applicants other than retail individual investors; and
- b) 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 to Regulations 253** of ICDR Regulations, 2018: If the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

**SUMMARY OF FINANCIAL STATEMENTS**

<b>ASSOCIATED COATERS LIMITED</b>				
<b>CIN : U28129WB2017PLC224001</b>				
<b>RESTATED STATEMENT OF ASSETS &amp; LIABILITIES</b>				
<i>(Rs. in Lakhs)</i>				
<b>Particulars</b>	<b>As at 31.12.2023</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>I. EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' Funds</b>				
(a) Share Capital	93.00	3.00	3.00	3.00
(b) Reserves and Surplus	48.11	67.34	13.05	(0.62)
				-
<b>2 Non-Current liabilities</b>				
(a) Long-term Borrowings	9.90	9.90	10.10	0.20
(b) Deferred Tax Liabilities (Net)	0.37	-	-	-
(c) Long-term Provisions	1.78	1.00	0.36	
<b>3 Current Liabilities</b>				
(a) Short-term Borrowings	-	-	-	-
(b) Trade Payable				
(I) Dues payable to MSME Creditors	19.45	7.03	9.68	-
Dues payable to other than MSME				
(II) Creditors	139.84	94.60	87.93	-
(c) Other Current Liabilities	25.33	93.98	72.84	0.14
(d) Short-term Provisions	26.97	19.28	4.84	-
<b>TOTAL</b>	<b>364.74</b>	<b>296.12</b>	<b>201.81</b>	<b>2.72</b>
<b>II . ASSETS</b>				
<b>1 Non-current Assets</b>				
Property, Plant & Equipment & Intangible				
(a) Assets				
(i) Property, Plant & Equipment	84.13	47.80	52.03	-
(ii) Capital Work-in-progress	-	-	-	-
(b) Deferred Tax Assets (Net)	-	0.07	0.04	-
(c) Non- Current Investments	-	-	-	-
(d) Long-term Loans and Advances	-	-	-	-
(e) Other Non- Current Assets	2.51	-	-	0.07
<b>2 Current Assets</b>				
(a) Inventories	9.52	3.93	2.85	-
(b) Trade Receivables	211.74	150.91	135.87	-
(c) Cash and Cash Equivalents	38.99	66.87	8.14	2.65
(d) Short Term Loans & Advances	10.16	19.58	0.02	-
(e) Other Current Assets	7.69	6.97	2.86	-
<b>TOTAL</b>	<b>364.74</b>	<b>296.12</b>	<b>201.81</b>	<b>2.72</b>



<b>ASSOCIATED COATERS LIMITED</b>				
<b>CIN : U28129WB2017PLC224001</b>				
<b>RESTATED STATEMENT OF PROFIT &amp; LOSS</b>				
<i>(Rs. in Lakhs)</i>				
<b>Particulars</b>	<b>For the Half year ended 31.12.2023</b>	<b>For the year ended 31.03.2023</b>	<b>For the year ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
Revenue from operations	397.00	358.94	139.41	-
Other income	-	-	-	-
<b>Total Income</b>	<b>397.00</b>	<b>358.94</b>	<b>139.41</b>	<b>-</b>
<b>Expenses:</b>				
Cost of Materials Consumed	259.44	236.57	103.57	-
Employee Benefit Expenses	9.07	22.17	10.36	-
Finance Cost	0.04	0.54	0.01	-
Depreciation and Amortization Expenses	10.66	7.56	3.94	-
Other Expenses	14.68	18.73	3.07	0.14
<b>Total Expenses</b>	<b>293.90</b>	<b>285.57</b>	<b>120.94</b>	<b>0.14</b>
<b>Profit before Exceptional Items</b>	<b>103.10</b>	<b>73.37</b>	<b>18.47</b>	<b>(0.14)</b>
Exceptional Items				
<b>Profit/(Loss) before Tax</b>	<b>103.10</b>	<b>73.37</b>	<b>18.47</b>	<b>(0.14)</b>
<b>Tax Expenses:</b>				
Current Tax	26.90	19.11	4.84	-
Deferred Tax	0.44	(0.03)	(0.04)	-
<b>Profit/(Loss) for the year</b>	<b>75.77</b>	<b>54.30</b>	<b>13.67</b>	<b>(0.14)</b>
<b>Earnings per equity share:</b>				
Basic (in Rs.)	8.15	5.84	1.47	- 0.01
Diluted (in Rs.)	8.15	5.84	1.47	(0.01)

<b>ASSOCIATED COATERS LIMITED</b> <b>CIN : U28129WB2017PLC224001</b> <b>RESTATED CASH FLOW STATEMENT</b>					
<i>(Rs. in Lakhs)</i>					
Particulars		For the Half Year ended 31st Decem ber, 2023	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	Net Profit before tax	103.10	73.37	18.47	(0.14)
	Depreciation & Amortisation	10.66	7.56	3.94	-
	Finance Cost	0.04	0.54	0.01	-
	Loss/(Profit) on Sale of Property, Plant & Equipments	-	-	-	-
	Provision for Gratuity	0.78	0.64	0.36	-
	Preliminary Expenses	-	-	0.07	0.07
	Interest Income	-	-	-	-
	<b>Operating Profit before Working Capital Charges</b>	<b>114.58</b>	<b>82.12</b>	<b>22.85</b>	<b>(0.06)</b>
	<b>Adjusted for:</b>				
	Inventories	(5.60)	(1.08)	(2.85)	-
	Trade receivables	(60.83)	(15.04)	(135.87)	-
	Short Term Loans & Advances	9.41	(19.55)	(0.02)	-
	Other Current Assets	(0.72)	(4.10)	(2.86)	-
	Trade Payable	57.67	4.01	97.62	-
	Other Current Liabilities	(68.65)	21.13	72.70	0.06
	Short-term Provisions	-	-	-	-
	<b>Cash Generated From Operations</b>	<b>45.87</b>	<b>67.49</b>	<b>51.56</b>	<b>-</b>
	Payment of Income Tax (Net of Refund)	(19.20)	(4.68)	-	-
	<b>Net cash generated/ (used in) from operating activities</b>	<b>26.66</b>	<b>62.81</b>	<b>51.56</b>	<b>-</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Purchase of Property, Plant & Equipment	(47.00)	(3.33)	(55.97)	-
	Capital Work In Progress	-	-	-	-
	Sale of Property, Plant & Equipment	-	-	-	-
	Other Non-current Assets	(2.51)	-	-	-
	Interest Income	-	-	-	-
	<b>Net Cash used in Investing Activities (B)</b>	<b>(49.50)</b>	<b>(3.33)</b>	<b>(55.97)</b>	<b>-</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Finance Cost	(0.04)	(0.54)	(0.01)	-
	Movement of Long Term Borrowings	-	(0.20)	9.90	-
	IPO related expenses	(5.00)	-	-	-
	Movement Short term borrowings	-	-	-	-
	<b>Net Cash used in Financing Activities (C)</b>	<b>(5.04)</b>	<b>(0.74)</b>	<b>9.89</b>	<b>-</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(27.88)</b>	<b>58.73</b>	<b>5.48</b>	<b>-</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>	<b>2.65</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>38.99</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>

Note :-

1. Components of Cash & Cash Equivalent

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
a. Balances with banks				
- Current Accounts	36.95	66.32	6.90	0.07
b. Cash on hand (As certified by the management)	2.04	0.54	1.24	2.58
<b>Total</b>	<b>38.99</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

3. Figures in Brackets represents outflow.

## SECTION V: GENERAL INFORMATION

Our Company was originally incorporated on December 22, 2017 as a Private Limited Company in the name of “Associated Coaters Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre vide CIN U28129WB2017PTC224001. Subsequently pursuant to a Special Resolution passed at the Extra-Ordinary General Meeting held on October 24, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Associated Coaters Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 19, 2023 by the Registrar of Companies, Kolkata. The Corporate Identification Number of our Company is U28129WB2017PLC224001.

For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 121 of this Prospectus.

<b>BRIEF COMPANY AND ISSUE INFORMATION</b>	
<b>Registration Number</b>	224001
<b>Corporate Identification Number</b>	U28129WB2017PLC224001
<b>Date of Incorporation as Private Limited Company</b>	December 22, 2017
<b>Date of Incorporation as Public Limited Company</b>	December 19, 2023
<b>Address of Registered Office &amp; Unit - I</b>	Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola- 700141 West Bengal, India. <b>Tel:</b> + 91- 9830437701 <b>E-mail:</b> <a href="mailto:info@associatedcoaters.in">info@associatedcoaters.in</a> <b>Website:</b> <a href="http://www.associatedcoaters.in">www.associatedcoaters.in</a>
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Kolkata</b> Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata- 700020, West Bengal. <b>Tel:</b> 033-2287739091 <b>Fax:</b> 033-22903795 <b>Email:</b> <a href="mailto:roc.kolkata@mca.gov.in">roc.kolkata@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Designated Stock Exchange</b>	<b>BSE Limited (SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.
<b>Issue Programme</b>	Issue Opens on: Thursday, May 30, 2024 Issue Closes on: Monday, June 03, 2024
<b>Chief Financial Officer</b>	<b>Mr. Jagjit Singh Dhillon</b> <b>Address:</b> Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola- 700141 West Bengal, India. <b>Tel:</b> + 91 9830437701 <b>Email:</b> <a href="mailto:cfo@associatedcoaters.in">cfo@associatedcoaters.in</a> <b>Website:</b> <a href="http://www.associatedcoaters.in">www.associatedcoaters.in</a>
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Heenal Hitesh Rathod</b> <b>Address:</b> Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola-700141 West Bengal, India. <b>Tel:</b> + 91 9830437701 <b>Email:</b> <a href="mailto:cs@associatedcoaters.in">cs@associatedcoaters.in</a> <b>Website:</b> <a href="http://www.associatedcoaters.in">www.associatedcoaters.in</a>

### **OUR BOARD OF DIRECTORS**

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Jagjit Singh Dhillon	Managing Director	197, Diamond Harbour Road, Behala, Kolkata 700034, West Bengal, India	07980441
HARBHAJAN SINGH THEETHI	Whole Time Director	199, Diamond Harbour Mandal Para, Behala, Kolkata 700034, West Bengal, India	10416459

Name	Designation	Address	DIN
Navneet Kaur	Non-Executive Director	197, Diamond Harbour Road, Behala, Kolkata 700034	07980468
Chetna Gupta	Additional Independent Director	25 Chinar Park, Destiny Tower, Flat No 5 B, Kolkata 700157	02212440
Jay Kumar Shaw	Additional Independent Director	7/1 GR, Marhatta Ditch Lane, 7 Shyampukur, Baghbazar, Kolkata 700003 West Bengal, India	09627535

For a detailed profile of our Directors, refer “*Our Management*” on page 124 of this Prospectus.

## INVESTOR GRIEVANCES

**Investors may contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of Letter of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.**

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form Number, Applicant’s DP ID, Client ID, PAN, Address of Applicant, Number of Equity Shares applied for, ASBA Account Number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), Date of Application Form and the Name and Address of the Relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the Application Number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted / partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

LEAD MANAGER OF THE ISSUE	REGISTRAR TO THE ISSUE
<b>GRETEX CORPORATE SERVICES LIMITED</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Delisle Road, Mumbai, Mumbai, Maharashtra, India, 400013. <b>Tel. No.:</b> +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person:</b> Mr. Arvind Harlalka <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 6263 8200 <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>Email:</b> ipo@bigshareonline.com <b>Investor Grievance Email:</b> investor@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Vinayak Morbale <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<b>Lex Astute Advocates &amp; Legal Consultants</b> 2 Hare Street, 1st floor, Office no 33, Nicco House, Kolkata 700001, West Bengal, India. <b>Tel No.:</b> +91 9830079563	<b>M/s. JMP Associates., Chartered Accountants,</b> 2nd Floor, Raja Subodh Mullick Square, Bowbazar Kolkata 700013, West Bengal <b>Tel No.:</b> +91 9830328772

<b>E-mail:</b> <a href="mailto:kolkata@lexastute.com">kolkata@lexastute.com</a> , <a href="mailto:advadutta@gmail.com">advadutta@gmail.com</a> <b>Contact Person:</b> Mr. Arnab Dutta	<b>E-mail:</b> <a href="mailto:manish@jmpassociates.com">manish@jmpassociates.com</a> <b>Contact Person:</b> Mr. Manish Gadia <b>Membership No.:</b> 059677 <b>Firm Registration No.:</b> 324235E <b>Peer Review No:</b> 014578
<b>BANKER TO THE COMPANY</b>	<b>BANKERS TO THE ISSUE / SPONSOR BANK</b>
<b>INDIAN BANK</b> 282 Diamond Harbour Road, Behala, Kolkata 700034 <b>Tel No.:</b> +091-33- 23970325 <b>E-mail:</b> <a href="mailto:diamondharbourroad.indianbank.co.in">diamondharbourroad.indianbank.co.in</a> <b>Contact Person:</b> Branch Manager	<b>AXIS BANK LIMITED</b> Dhiraj Marg, Hariniwas Circle, LBS Marg, Thane (w), 400602. Maharashtra, India. <b>Tel no.:</b> +91 9004000236 <b>E-mail:</b> <a href="mailto:thane.branchhead@axisbank.com">thane.branchhead@axisbank.com</a> <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Contact Person:</b> Leena Kendurkar SEBI Registration no. INBI00000017

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No	Date of Change	From	To	Reason for Change
1.	<b>Date of Resignation:</b> September 11, 2023  <b>Date of Appointment:</b> September 30, 2023	<b>Suvankar Haldar &amp; Associates.,</b> Chartered Accountants, 1 Banamali Naskar Road, Behala, Kolkata 700060 West Bengal <b>Tel NO.:</b> 9836406729 <b>E-mail:</b> <a href="mailto:sh_asso@rediffmail.com">sh_asso@rediffmail.com</a> <b>Contact Person:</b> Mr. Suvankar Haldar <b>Membership No.:</b> 060906 <b>Firm Registration No.:</b> 0325865E	<b>JMP Associates.,</b> Chartered Accountants, 5, Raja Subodh Mullick Square, 2nd Floor Kolkata 700013, West Bengal <b>Tel No.:</b> +91 9830328772 <b>E-mail:</b> <a href="mailto:manish@jmpassociates.com">manish@jmpassociates.com</a> <b>Contact Person:</b> Mr. Manish Gadia <b>Membership No.:</b> 059677 <b>Firm Registration No.:</b> 324235E <b>Peer Review No:</b> 014578	Pre-occupation on with other assignments

#### SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the abovementioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path: Home >> Intermediaries / Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he / she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

#### SYNDICATE SCSB BRANCHES

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to



time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

#### **INVESTORS BANKS OR ISSUER BANKS FOR UPI**

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

#### **REGISTERED BROKERS**

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

#### **REGISTRAR AND SHARE TRANSFER AGENTS**

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

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### **BROKERS TO THE ISSUE**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

#### **STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Gretex Corporate Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Manager is not required.

#### **CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

#### **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.

#### **EXPERT OPINION**

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

Our Company has received written consent dated December 21, 2023 from Peer Review Auditor namely, M/s. JMP Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in respect of its (i) examination report dated May 04, 2024 on our Restated Financial Information; and (ii) its report dated May 04, 2024 on the statement of Special Tax Benefits in this Prospectus. Aforementioned consents have not been withdrawn as on the date of this Prospectus.

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

#### **TRUSTEES**

This is an issue of equity shares hence appointment of trustees is not required.

#### **DEBENTURE TRUSTEES**

As this is an issue of Equity Shares, the appointment of Debenture trustees is not required.

#### **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed 10,000 lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of 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.

#### **GREEN SHOE OPTION**

No Green Shoe Option is applicable for this Issue.

#### **APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

#### **FILING OF ISSUE DOCUMENT**

The Prospectus will not be filed with SEBI, nor will SEBI issue 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 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 <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be delivered to the Registrar of Company, Kolkata at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata-700020, West Bengal.

#### **TYPE OF ISSUE**

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

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

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated December 23, 2023 and addendum to the underwriting agreement dated May 13, 2024. Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter Have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>Gretex Corporate Services Limited</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Delisle Road, Mumbai-400013, Maharashtra, India. <b>Tel. No.:</b> +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person:</b> Mr. Arvind Harlalka <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128	2,11,000	255.31	50
<b>Gretex Share Broking Limited</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Delisle Road, Mumbai - 400013, Maharashtra, India <b>Tel. No.:</b> +91 022 69308502/03 <b>Email:</b> Compliance@gretexbroking.com <b>Contact Person:</b> Mr. Deepak Navinchandra Shah <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMEMM0617628062012	2,11,000	255.31	50
<b>TOTAL</b>	<b>4,22,000*</b>	<b>510.62</b>	<b>100</b>

\*Subject to finalization of Basis of Allotment

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Lead Manager shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure / subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated December 23, 2023 and addendum to the Market making agreement dated May 13, 2024 with the Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Gretex Share Broking Limited
<b>Address</b>	A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai - 400013, Maharashtra, India.
<b>Tel No.</b>	+91 022 69308502/03
<b>Email</b>	Compliance@gretexbroking.com
<b>Contact Person</b>	Mr. Deepak Navinchandra Shah
<b>CIN</b>	U65900MH2010PLC289361
<b>SEBI Registration No.</b>	INZ000166934
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SMEMM0617628062012

Gretex Share Broking Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

- a) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- b) The minimum depth of the quote shall be ₹ 1.00 Lakhs. However, the investors with holdings of value less than ₹ 1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- c) 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% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- d) There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- e) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- f) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Limited is acting as the sole Market Maker.
- g) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.
- h) 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.
- i) The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- j) In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of

the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. 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.

- k) SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
- l) SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- m) 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.
- n) 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:
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform of BSE Limited.

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

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

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

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5 % of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5 % of the Issue Size)
Up to ₹ 20 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	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.

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

## SECTION VI: CAPITAL STRUCTURE

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

Sr. No.	Particulars	Amount	
		(₹ in Lakh except share data)	
		Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital <sup>(1)</sup></b>		
	20,00,000 Equity Shares of ₹ 10.00 each	200.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	9,30,000 Equity Shares of ₹ 10.00 each	93.00	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus <sup>(2)</sup></b>		
	Fresh Issue of 4,22,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share)	42.20	510.62
	<i>Which comprises:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	66,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share)	6.60	79.86
<b>E.</b>	<b>Net Issue to the Public</b>		
	3,56,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share)	35.60	430.76
	<i>Of which <sup>(3)</sup>:</i>		
	1,78,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121 per Equity Share (including premium of ₹ 111 per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	17.80	215.38
	1,78,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per Equity Share) will be available for allocation to other than Retail Individual Investors above ₹ 2.00 Lakh.	17.80	215.38
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	13,52,000* Equity Shares of ₹ 10.00 each	135.20	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue		NIL
	After the Issue		468.42

\*Subject to finalization of Basis of Allotment

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company, please refer to section titled “History and Certain Other Corporate Matters - Amendments to our Memorandum of Association” on 121.

<sup>(2)</sup> The Issue has been authorized by a resolution of our Board of Directors through their meeting dated December 22, 2023 and by a special resolution of our Shareholders at Extraordinary General Meeting dated December 26, 2023.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.



## CLASS OF SHARES

As on date of this Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹ 10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Prospectus.

## NOTES TO CAPITAL STRUCTURE

### 1. Changes in Authorized Equity Share Capital of our Company:

Sr. No.	Particulars of Increase	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital	Date of Meeting	Whether AGM / EGM
1	Upon Incorporation	1,00,000	10.00	10,00,000.00	Upon Incorporation	N.A.
2	Increase in Authorised Capital from ₹ 10,00,000 to ₹ 50,00,000	5,00,000	10.00	50,00,000.00	July 28, 2023	EGM
3	Increase in Authorised Capital from ₹ 50,00,000 to ₹ 2,00,00,000	20,00,000	10.00	2,00,00,000.00	December 18, 2023	EGM

### 2. History of Issued and Paid-Up Share Capital of our Company

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
Upon Incorporation	30,000	10.00	10.00	Cash	Subscriber to the MOA	30,000	3,00,000.00
Issue of Bonus Shares dated December 22, 2023	9,00,000	10.00	-	Other than Cash	Bonus Issue	9,30,000	93,00,000.00

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

Sr. No	Names of Allottees	Number of Equity Shares
1	Gurmel Singh Dhillon	10,000
2	Navneet Kaur	10,000
3	Jagjit Singh Dhillon	10,000
	<b>Total</b>	<b>30,000</b>

(ii) Bonus Issue of 9,00,000 Equity Shares of Face Value of ₹ 10.00 each fully paid allotted on December 22, 2023, in the ratio of 30:1 i.e., 30 (Thirty) Bonus Equity Shares for 1 (One) equity share held by the existing equity shareholders as on the record date:

Sr. No.	Name	No. of Equity Shares allotted
1	Jagjit Singh Dhillon	5,99,820
2	Navneet Kaur	3,00,000
3	Jaswinder Singh	30
4	Palwinder Kaur	30
5	Sarabjit Kaur	30
6	Parmjit Singh	30
7	Harwinder Kumar	30
8	Bhupinder Singh	30
	<b>Total</b>	<b>9,00,000</b>

**3. Issue of Equity Shares for Consideration other than Cash.**

Except the point (ii) above we have not issued any Equity Shares for consideration other than cash.

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
5. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
7. Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Prospectus, except as disclosed below:

<b>Date of Allotment</b>	<b>No. of Equity Shares</b>	<b>Face Value (₹)</b>	<b>Issue Price (₹)</b>	<b>Reasons of Allotment</b>	<b>Benefits accrued to company</b>
December 22, 2023	9,00,000	10.00	-	Bonus in the ratio of 30:1 i.e., 30 Equity Share for every 1 Equity Shares held	Reserves and Surplus

*\*Above allotment of shares has been made out of Reserves and Surplus available and no part of revaluation reserve has been utilized for the purpose.*

**8. Our Shareholding Pattern**

- a) The table below presents the current shareholding pattern of our Company as on the date of this Prospectus

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)*	
								No of Voting Rights					Total as a % of (A+B+C)	No	As a % of total Shares held (b)	No		As a % of total Shares held (b)
								Class - Equity	Class	Total								
A	Promoters & Promoter Group	8	9,30,000	-	-	9,30,000	100.00	9,30,000	-	9,30,000	100.00	-	-	-	-	-	9,30,000	
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)*
								No of Voting Rights			Total as a % of (A+B+C)			N	As a % of total Shares held (b)	N	As a % of total Shares held (b)	
								Class - Equity	Classes	Total								
	<b>Total</b>	<b>8</b>	<b>9,30,000</b>	-	-	<b>9,30,000</b>	<b>100.00</b>	<b>9,30,000</b>	-	<b>9,30,000</b>	<b>100.00</b>	-	-	-	-	-	-	<b>9,30,000</b>

As on date of this Prospectus 1 Equity share holds 1 vote.

We have only one class of Equity Shares of face value of ₹ 10.00 each.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

b) Equity Shareholding of Directors, Key Managerial Personnel and Senior Management in our Company:

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1.	Jagjit Singh Dhillon	6,19,814	66.65	6,19,814	45.84
2.	Navneet Kaur	3,10,000	33.33	3,10,000	22.94
	<b>Total</b>	<b>9,29,814</b>	<b>99.98</b>	<b>9,29,814</b>	<b>68.78</b>

c) List of shareholders holding 1% or more of the Paid-up capital of our Company as on date of this prospectus.

Sr. No.	Particulars	No. of Shares	% of Pre-Issue Capital
1	Jagjit Singh Dhillon	6,19,814	66.65
2	Navneet Kaur	310,000	33.33
	<b>Total</b>	<b>9,29,814</b>	<b>99.98</b>

d) List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Prospectus:

Sr. No.	Particulars	No. of Shares	% of Pre-Issue Capital
1	Jagjit Singh Dhillon	6,19,814	66.65
2	Navneet Kaur	310,000	33.33
	<b>Total</b>	<b>9,29,814</b>	<b>99.98</b>

e) List of shareholders holding 1% or more of the paid-up capital of our company as on date one year prior to the date of this Prospectus:

Sr. No.	Particulars	No. of Shares	% of Pre-Issue Capital
1	Jagjit Singh Dhillon	20,000	66.67%
2	Navneet Kaur	10,000	33.33%
	<b>Total</b>	<b>30,000</b>	<b>100.00%</b>

f) List of shareholders holding 1% or more of the paid-up capital of our company as on date two year prior to the date of this Prospectus:

Sr. No.	Particulars	No. of Shares	% of Pre-Issue Capital
1	Jagjit Singh Dhillon	20,000	66.67%
2	Navneet Kaur	10,000	33.33%
	<b>Total</b>	<b>30,000</b>	<b>100.00%</b>

9. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Prospectus.

10. Our Company has not made any public issue (including any rights issue to the public) in the preceding two years.

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Issue by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing / and or future organic and / or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the issue appropriately in due compliance with the applicable statutory provisions.

### 13. Details of our Promoters Shareholding

As on the date of this Prospectus, our Promoters Mr. Jagjit Singh Dhillon and Ms. Navneet Kaur, hold 99.98% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

#### a) Build-up of our Promoter's shareholding in Our Company

##### 1. Mr. Jagjit Singh Dhillon

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Consideration	Nature of Issue	% of pre-Issue equity share capital	% of post Issue equity share capital
Upon Incorporation	10,000	10.00	10.00	Cash	Subscribers to Memorandum	1.08	0.74
September 30, 2021	10,000	10.00	-	Other than Cash	Gift from Gurmel Singh Dhillon	1.08	0.74
August 21, 2023	(1)	10.00	-	Other than Cash	Gift to Jaswinder Singh	-0.00	0.00
August 21, 2023	(1)	10.00	-	Other than Cash	Gift to Sarabjit Kaur	-0.00	0.00
August 21, 2023	(1)	10.00	-	Other than Cash	Gift to Palwinder Kaur	-0.00	0.00
August 21, 2023	(1)	10.00	-	Other than Cash	Gift to Harwinder Kumar	-0.00	0.00
August 21, 2023	(1)	10.00	-	Other than Cash	Gift to Paramjit Singh	-0.00	0.00
August 21, 2023	(1)	10.00	-	Other than Cash	Gift to Bhupinder Singh	-0.00	0.00
December 22, 2023	5,99,820	10.00	-	Other than Cash	Bonus Issue	64.50	44.37
<b>Total</b>	<b>6,19,814</b>					<b>66.65</b>	<b>45.85</b>

##### 2. Mrs. Navneet Kaur

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Consideration	Nature of Issue	% of pre-Issue equity share capital	% of post Issue equity share capital
Upon Incorporation	10,000	10.00	10.00	Cash	Subscribers to Memorandum	1.08	0.74
December 22, 2023	3,00,000	10.00	-	Other than Cash	Bonus Issue	32.26	22.19
<b>Total</b>	<b>3,10,000</b>					<b>33.33</b>	<b>22.94</b>

#### Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

#### b) The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:



Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
<b>A)</b>	<b>Promoters</b>				
1	Navneet Kaur	3,10,000	33.33	3,10,000	22.94
2	Jagjit Singh Dhillon	6,19,814	66.65	6,19,814	45.84
	<b>Total (A)</b>	<b>9,29,814</b>	<b>99.98</b>	<b>9,29,814</b>	<b>68.78</b>
<b>B)</b>	<b>Promoter Group</b>				
3	Jaswinder Singh	31	0.00	31	0.00
4	Sarabjit Kaur	31	0.00	31	0.00
5	Palwinder Kaur	31	0.00	31	0.00
6	Paramjit Singh	31	0.00	31	0.00
7	Harwinder Kumar	31	0.00	31	0.00
8	Bhupinder Singh	31	0.00	31	0.00
	<b>Total (B)</b>	<b>186</b>	<b>0.02</b>	<b>186</b>	<b>0.01</b>
	<b>Promoters and Promoter Group (A+B)</b>	<b>9,30,000</b>	<b>100.00</b>	<b>9,30,000</b>	<b>68.79</b>

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1	Jagjit Singh Dhillon	6,19,814	0.16
2	Navneet Kaur	3,10,000	0.32
		<b>9,29,814</b>	<b>0.48</b>

15. We have 8 (Eight) Shareholders as on the date of this Prospectus

16. We hereby confirm that

- Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Prospectus:

Date of Allotment / Transfer	Name of Shareholder	No. of Equity Shares allotted / Transferred / Acquired	% of Pre-Issue Capital	Subscribed / Acquired / Transfer	Category of Allottees (Promoters / Promoter Group / Director / Relatives)
August 21, 2023	Jagjit Singh Dhillon	1	-0.00	Gift to Jaswinder Singh	Promoter Group
August 21, 2023	Jagjit Singh Dhillon	1	-0.00	Gift to Sarabjit Kaur	Promoter Group
August 21, 2023	Jagjit Singh Dhillon	1	-0.00	Gift to Palwinder Kaur	Promoter Group
August 21, 2023	Jagjit Singh Dhillon	1	-0.00	Gift to Parmjit Singh	Promoter Group
August 21, 2023	Jagjit Singh Dhillon	1	-0.00	Gift to Harwinder Kumar	Promoter Group
August 21, 2023	Jagjit Singh Dhillon	1	-0.00	Gift to Bhupinder Singh	Promoter Group
December 22, 2022	Navneet Kaur	3,00,000	32.26	Subscribed through Bonus Issue	Promoter
December 22, 2022	Jagjit Singh Dhillon	5,99,820	64.50	Subscribed through Bonus Issue	Promoter
December 22, 2022	Jaswinder Singh	30	0.00	Subscribed through Bonus Issue	Promoter Group
December 22, 2022	Sarabjit Kaur	30	0.00	Subscribed through Bonus Issue	Promoter Group
December 22, 2022	Palwinder Kaur	30	0.00	Subscribed through Bonus Issue	Promoter Group
December 22, 2022	Paramjit Singh	30	0.00	Subscribed through Bonus Issue	Promoter Group
December 22, 2022	Harwinder Kumar	30	0.00	Subscribed through Bonus Issue	Promoter Group

December 22, 2022	Bhupinder Singh	30	0.00	Subscribed through Bonus Issue	Promoter Group
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- No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus.

#### 17. Details of Promoters' Contribution and Lock-in for Three Years

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

As on the date of this Prospectus, our Promoters hold 9,29,814 Equity Shares constituting **99.98%** of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include 2,77,100 Equity Shares held by them and subscribed by them as part of Promoter's Contribution constituting 20.49% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment / transfer and made fully paid up	No. of Equity Shares locked in*	Face Value Per Share (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
<b>Mr Jagjit Singh Dhillon</b>						
Upon Incorporation	10,000	10.00	10.00	Subscribers to Memorandum	0.74	3 years
December 22, 2023	128,550	10.00	-	Bonus Issue	9.51	3 years
<b>Total</b>	<b>138,550</b>				<b>10.24</b>	
<b>Mrs. Navneet Kaur</b>						
Upon Incorporation	10,000	10.00	10.00	Subscribers to Memorandum	0.74	3 years
December 22, 2023	128,550	10.00	-	Bonus Issue	9.51	3 years
<b>Total</b>	<b>138,550</b>				<b>10.24</b>	

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;
- The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum Promoter's contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and

- The Equity Shares offered for Promoter’s contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoter contribution subject to lock-in.

**We further confirm that our Promoter’s Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.**

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

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter’s contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 6,52,900 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

**19. Inscription or Recording of non-transferability**

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

**20. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

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

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

**21. Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

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

**22. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.**

23. As on date of this Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
24. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
25. As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled "Issue Procedure" beginning on page 193 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
28. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
31. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. There are no Equity Shares against which depository receipts have been issued.
34. As per RBI regulations, OCBs are not allowed to participate in this issue
35. This Issue is being made through Fixed Price Issue
36. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
37. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
38. None of our Promoters and Promoter Group will participate in the Issue.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue comprises a fresh Issue of **4,22,000\*** Equity Shares of our Company at an Issue Price of ₹ 121.00/- per Equity Share.

*\*Subject to finalization of Basis of Allotment*

#### **Fresh Issue**

The details of the proceeds of the Fresh Issue are summarized below:

<b>Particulars</b>	<b>Amount</b>
Gross Proceeds from the Fresh Issue	510.62
Less: Issue related expenses	116.60
<b>Net Proceeds of the Fresh Issue</b>	<b>394.02</b>

#### **Requirement of Funds**

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

- a) Funding capital expenditure towards installation of plant & machinery in our existing premises
- b) Working Capital Requirements
- c) General Corporate Purposes.

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. We are in the business of manufacturing and supplying fabricated parts and press parts like Telecommunication parts, diesel engine parts, diesel engine brackets, Weighbridges, deep drawn parts. We possess a specialty of hot dip galvanizing of metal parts which is the reason we have a good network telecom industry, namely CommScope Group, which is USA based group and are considered as one of the world leaders in their respective field. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum.

#### **Schedule of Implementation of Net Fresh Issue Proceeds**

The Net Fresh Issue Proceeds are proposed to be used in the manner set out in the following table:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Total Estimated Expenditure to be funded from IPO Proceeds</b>	<b>Estimated deployment of Net Proceeds by the Financial Year ended March 31, 2025</b>
1	Funding Capital Expenditure towards installation of Plant & Machinery in our existing premises	145.16	145.16
2	Working Capital Requirements	200.00	200.00
3	General Corporate Purposes	48.86	48.86
<b>Total</b>		<b>394.02</b>	<b>394.02</b>

*Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.*

The fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external 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, if required. 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.

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 chapter titled "**Risk Factors**" beginning on page 25 of this Prospectus.

### **Details of Object of the Issue**

#### ***1) Funding Capital Expenditure towards installation of Plant & Machinery in our existing premises.***

We are in the business of manufacturing and supplying fabricated parts and press parts like Telecommunication parts, diesel engine parts, diesel engine brackets, Weighbridges, deep drawn parts having specialty in hot dip galvanizing of metal parts. We propose to improve the quality and quantity of our products for which we intend to install latest equipment and undertake modification in the existing machine along with few new age machineries. We believe that the said equipment will enable us in manufacturing better quality products which will increase our sales and reduce our direct expenditures.

As Regards Upgradation in the existing plant is concerned, it can be specified to 3 major area of work.

#### **A. Testing Equipment**

Alongside our trusted cross-cut tester, bend testing equipment, impact tester, and micron meter which we already have in our Lab, the inclusion of salt spray testing equipment in our laboratory, will enable us to conduct thorough assessments of the durability and corrosion resistance of our coatings. By simulating harsh environmental conditions, such as exposure to saltwater, we can ensure that our powder coatings meet the highest standards of performance and longevity. This investment underscores our dedication to delivering reliable and durable coating solutions to our valued customers across diverse industries.

#### **B. Coating Machines**

The coating machines will undergo a significant upgrade to enhance their efficiency, accuracy, and versatility by adding advanced PLC operated control system which involves the integration of advanced automation systems, improved control mechanisms, and enhanced coating application technologies. These upgrades aim to streamline production processes, reduce downtime, and ensure consistent and high-quality coating application. With these enhancements, we are poised to meet the increasing demands of our customers while maintaining our commitment to excellence in coating.

#### **C. Heat chamber**

Currently we are having an orthodox system of temperature Measurement system through Thermostats, which we want to upgrade to continuous temperature measurement through a system called TTR (Transformation Temperature Range). This innovative system utilizes advanced sensors and real-time monitoring technology to precisely track and analyse the transformation behavior of materials as they undergo heating processes. By providing continuous data acquisition and analysis, this online system offers unparalleled insights into the temperature range at which transformations occur, enabling more informed decision-making in material selection and process optimization.

### **WITH REGARDS TO NEW PLANT AND MACHINERY:**

Currently we are doing powder coating on metals, wood film coating and PVDF coating.



The addition of a new Anodizing plant will complement our cycle. This strategic decision comes as a response to the growing demand for diversified surface finishing options in the aluminum industry. Anodizing offers numerous advantages, including enhanced corrosion resistance, durability, and aesthetic appeal, making it an ideal choice for various applications. By investing in this new plant, we are not only expanding our service offerings but also reaffirming our commitment to meeting the evolving needs of our customers. This expansion underscores our dedication to innovation, quality, and customer satisfaction, positioning us as a comprehensive solution provider in the realm of aluminum surface finishing industry. Anodizing is an electrochemical process that converts the surface of metals, particularly aluminum, into a durable, corrosion-resistant oxide layer. This process involves immersing the metal in an electrolyte solution and passing an electric current through it. As a result, an oxide layer forms on the metal's surface, which can be further treated to achieve different finishes, colours, and properties. Anodizing enhances the metal's appearance, and improves its resistance to wear and corrosion. It is widely used in various industries, including automotive, aerospace, construction, and electronics, to improve the performance and aesthetics of aluminum.

**Location:** The proposed installation of new machinery and modification of existing machinery will be carried out at the same location as our existing manufacturing unit is located.

### Estimated Costs

A brief description of estimated cost involved is mentioned below:

#### Plant Machinery, Civil, Electrical and Fabrication:

The list of Plant and Machinery proposed to be incurred is detailed below:

Sr. No.	Capital Expenditure Nature	Description	Amount in (Chinese Yuan)	Amount (Rs. In Lakhs)*	Details of Quotation
1	Plant & Machinery	Anodizing System	5,82,000	66.84	Quotation received from Grand Import & Export Co. Limited dated December 14, 2023 valid for 6 months from date of quotation.
2	Plant & Machinery	Coloring system	2,71,000	31.12	
3	Plant & Machinery	Coolant System	4,11,000	47.20	
<b>Total</b>			<b>12,64,000</b>	<b>145.16</b>	

\*Currency conversion rate of May 24, 2024 has been taken at 1 Chinese Yuan= 11.484 Indian Rupees.

\$The amount included in the quotation may be subject to price revisions, basis, inter alia, prevailing market conditions, price of raw materials, increase in taxes/duties levied by governmental authorities. In case of an increase in quoted amount due to a price revision, our Company will bear the difference out of internal accruals

#### Notes: -

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
- All quotations received from the vendors mentioned above are valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/ equipment or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- We are not acquiring any second-hand machinery.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of Packing & Forwarding, Transportation, Transit Insurance, Octroi / Entry tax if any etc. Such cost escalation would be met out of our internal accruals.

## Proposed Schedule of Implementation

The proposed schedule of implementation for expansion of manufacturing facilities is as follows:

Particulars	Estimated Month of	
	Commencement	Completion
Order of Plant & Machinery	July 2024	July 2024
Delivery of Machineries	September 2024	October 2024
Installation & Erection of Machineries	October 2024	December 2024
Trial Run and R&D	January 2025	
Commercial Production	February 2025	

## Means of Finance

Our Company proposes to meet the entire requirement of funds for this proposed Object of the Issue from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### 2) To Meet Working Capital Requirements

With the expansion of the business company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from borrowings from director and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital.

Our Company proposes to utilize ₹ 200.00 Lakh of the Net Proceeds in Fiscal 2025 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

Particulars	(₹ in lakhs)					
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023	March 31, 2024	March 31, 2025
Provisional	<b>Restated</b>	<b>Restated</b>	<b>Restated</b>	<b>Restated</b>	<b>Provisional</b>	<b>Estimated</b>
<b>Current Assets</b>						
Inventories	-	2.85	3.93	9.52	11.97	30.19
Trade Receivables	-	135.87	150.91	211.74	266.79	373.50
Cash and Cash Equivalents	2.65	8.14	66.87	38.99	44.34	12.00
Short Term Loans & Advances	-	0.02	19.58	10.16	4.26	25.00
Other Current Assets	-	2.86	6.97	7.69	12.66	41.20
<b>Total (I)</b>	<b>2.65</b>	<b>149.74</b>	<b>248.26</b>	<b>278.11</b>	<b>340.01</b>	<b>481.89</b>
<b>Current Liabilities</b>						
Short-term Borrowings	-	-	-	-	-	-
Trade Payables	-	97.62	101.63	159.29	167.23	56.86
Other Current Liabilities	0.14	72.84	93.98	25.33	31.77	35.00
Short-term Provisions	-	4.84	19.28	26.97	32.37	44.16
<b>Total (II)</b>	<b>0.14</b>	<b>175.3</b>	<b>214.89</b>	<b>211.59</b>	<b>231.37</b>	<b>136.02</b>
<b>Net Working Capital (I)-(II)</b>	<b>2.51</b>	<b>-25.56</b>	<b>33.37</b>	<b>66.51</b>	<b>108.64</b>	<b>345.86</b>
<b>Incremental Working Capital</b>						<b>237.22</b>
<b>Funding Pattern:</b>						
Internal Accruals	2.51	-	33.37	66.51	108.64	37.22

Part of the IPO Proceeds	-	-	-	-	-	<b>200.00</b>
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### Assumptions for working capital requirement

Assumptions for Holding Levels

(In days)

Particulars	Holding level as on March 31, 2021	Holding level as on March 31, 2022	Holding level as on March 31, 2023	Holding level as on March 31, 2024	Holding level as on March 31, 2025
<b>Current Assets</b>					
Inventories	0	10	6	13	25
Trade Receivables	0	356	153	181	188
<b>Current Liabilities</b>					
Trade Payables	0	626	207	175	44

### Justification for Holding Period Levels

Name of Heading	Incremental Requirement in Estimates (Rs. in Lakhs)	Reason / Justification / Rationale for estimate
Inventory	2.44	Inventories is expected to increase from Rs. 9.52 lakhs as on December 31, 2023 to Rs. 11.97 lakhs as on March 31, 2024, as per the growth and requirements of the clients. we expect minor rise in inventory by 10%, in inventory value over the period under consideration.
Trade Receivables	55.04	Trade receivable is expected to increase over the coming years due to increase in volume of sales. Estimated trade receivable as on March 31, 2024 is Rs. 266.79 lakhs as compared to Rs. 211.74 lakhs as on December 31, 2023. In order to enhance sale, execute new orders, we need to extend extra credit period to our debtors. As we are making good margin on our products, higher collection time is affordable and financially feasible to us.
Cash and Cash Equivalent	5.35	The estimated Cash and Cash Equivalents balance is expected to be at Rs. 44.34 lakhs as on March 31, 2024 compared to Rs. 38.99 lakhs as on December 31, 2023. Cash and cash equivalent is proposed to be utilised to pay immediate liabilities. Cash and bank balance of 20 lakhs is needed for day-to-day activities of the business.
Short Term Loans and Advances	(5.90)	The estimated requirement for March 31, 2024 is Rs. 4.26 lakhs as compared to Rs. 10.16 lakhs as on December 31, 2023. We assume that higher advance to supplier would be needed to secure the timely supply at good prices, so that our production chain runs smoothly.
Other Current Assets	4.97	The estimates as on March 31, 2024 is Rs. 12.66 lakhs as compared to Rs. 7.69 lakhs as on December 31, 2023. Proportionate advance tax needs to be paid on the income earned by the company. Short Term Loan & advance depicts the figure of advance tax to be paid on the income. It also includes Balances with Government Authorities which will increase over the coming years considering the estimated increase in sales.
Trade Payable	7.94	Estimated trade payables as on March 31, 2024 is Rs. 167.23 lakhs as compared to Rs. 159.29 lakhs as on December 31, 2023. We have assumed that the trade payable would increase in absolute term with increase in purchase and other costs. We have assumed to reduce the payment period over the years to avail some extra financial benefit.
Other Current Liabilities	6.44	Other current liabilities as on March 31, 2024 are estimated to be Rs. 31.77 lakh against Rs. 25.33 lakhs as on December 31, 2023. We assume that there would be a reduction of 6.44 Lakhs during the period. With the internal accruals other current liabilities would reduce gradually over the period to gain some financial benefits.
Short Term Provision	5.39	Short Term Provisions are expected to increase from Rs. 26.97 Lakhs for period ended December 31, 2023 to Rs. 32.37 Lakhs for the year ended March, 31 2024. It includes Income Tax provision which will increase over the period as profits are increasing.

<b>Total</b>	<b>42.13</b>	
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Pursuant to the certificate dated May 04, 2024, M/s. JMP Associates, Chartered Accountants, have verified the working capital requirements for the period ended December 31, 2023 and financial year ended March 31, 2023, 2022 and 2021 from the Restated Financial Information and working capital estimates for the financial year March 31, 2024 and 2025 as approved by the Board pursuant to its resolution dated May 04, 2024.

### 3) General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance Net Fresh Issue Proceeds to the tune of ₹ 48.86 Lakhs is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI (ICDR) Regulations, 2018. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives
- (ii) Brand building and strengthening of marketing activities; and
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

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

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2024 – 25.

### Public Issue Expense

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ 116.60 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses	% of Total	% of Total
	(₹ In Lakh)	Offer Expenses	Offer size
Payment to the Lead Manager	40.00	34.31%	7.83%
Market Making Fees	43.00	36.88%	8.42%
Underwriting Fees	25.00	21.44%	4.90%
Fees payable to Registrar to Issue	1.50	1.29%	0.29%
Fees to Legal Advisor	1.75	1.50%	0.34%
Advertisement Expenses	1.50	1.29%	0.29%
Fees payable to Regulators including Stock Exchange	1.00	0.86%	0.20%
Printing & Distribution Expenses	0.75	0.64%	0.15%
Marketing & Selling Expenses	0.10	0.09%	0.02%
Payment to Sponsor Bank	0.50	0.43%	0.10%
Statutory & Other Reports	1.50	1.29%	0.29%
<b>Total</b>	<b>116.60</b>	<b>100.00%</b>	<b>22.83%</b>

\*\* SCSBs will be entitled to a processing fee of ₹ 1.00 per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.001 % on the Allotment Amount# or ₹ 50.00 whichever is less on the Applications wherein shares are allotted.

*The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*

*#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

### **Appraisal by Appraising Fund**

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

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

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

### **Monitoring Utilization of Funds**

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed Company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

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

## BASIS FOR ISSUE PRICE

*Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 25, 99 and 144 respectively of the Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Issue Price has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹121.00 which is 12.10 times of the face value.

### Qualitative Factors

Some of the qualitative factors, which form the basis for the Issue Price are:

1. Experienced Promoters and Management Team
2. Scalable Business Model
3. Wide and Diverse Range of Product Offering
4. Marketing & Branding Efforts
5. Focus on Increase in Volume of Sales
6. Increasing the number of Clients
7. Building-up as on Professional Organization
8. Continue to attract and retain talent

For further details, see “*Risk Factors*” and “*Our Business*” beginning on pages 25 and 99 respectively.

### Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see “*Financial Information*” beginning on page 144.

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

Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

#### As per Restated Financial Statements (Pre-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2021	(0.45)	1
March 31, 2022	45.56	2
March 31, 2023	180.99	3
<b>Weighted Average</b>	<b>105.60</b>	
For the period from April 01, 2023 to December 31, 2023 (Not Annualized)	8.15	

#### As per Restated Financial Statements (Post Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2021	(0.01)	1
March 31, 2022	1.47	2
March 31, 2023	5.84	3
<b>Weighted Average</b>	<b>3.41</b>	
For the period from April 01, 2023 to December 31, 2023 (Not Annualized)	8.15	

#### \*Notes

1. Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
2. The ratios have been computed as below:



- Basic EPS is calculated as Profit/(loss) for the year/period attributable to equity shareholders divided by the adjusted weighted average number basic equity shares outstanding during the year/period.
- Diluted EPS is calculated as Profit/(loss) for the year/period attributable to equity shareholders divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.
- 3. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.
- 4. Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.  $\{(EPS \times Weight) \text{ for each year}\} / \{Total \text{ of weights}\}$ .

For further details, see “**Other Financial Information**” on page 121

**Price/Earning (“P/E”) Ratio in relation to the Issue Price of ₹ 121 per Equity Share:**

Particulars	P/E at Issue Price (no.of times)
<b>Based on Restated Financial Statements</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	20.73
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	35.52

*Note: The P/E ratio has been computed by dividing Issue Price with EPS*

**Return on Net Worth as per Restated Financial Statements**

Period	RONW (%)	Weight
March 31, 2021	(5.71%)	1
March 31, 2022	85.17%	2
March 31, 2023	77.19%	3
<b>Weighted Average</b>	<b>66.03%</b>	
<b>For the period from April 01, 2023 to December 31, 2023 (Not Annualized)</b>	<b>53.69%</b>	

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

**As per Restated Financial Statements:**

Minimum return on Post Offer Net Worth to maintain the Pre-Offer EPS (Post Bonus) for the financial year ended on 31<sup>st</sup> March, 2023 14.75%.

**Net Asset Value (NAV) per Equity Share**

**As per Restated Financial Statements (Pre-Bonus)**

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2021	7.93
b)	As on March 31, 2022	53.50
c)	As on March 31, 2023	234.48
d)	For the period from April 01, 2023 to December 31, 2023	15.17

**As per Restated Financial Statements (Post Bonus)**

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2021	0.26
b)	As on March 31, 2022	1.73
c)	As on March 31, 2023	7.56
d)	For the period from April 01, 2023 to December 31, 2023	15.17
e)	<b>Net Asset Value per Equity Share after the Issue at Issue Price</b>	<b>39.58</b>

f)	<b>Issue Price*</b>	<b>121</b>
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Notes:

- NAV has been calculated as Net worth divided by number of Equity Shares at the end of the year.
- Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of year/period.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Net Worth and the number of equity shares as at the end of the year/period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth and the number of equity shares outstanding as at the end of the year/period has not been derived from Restated Financial Information.

For further details, see “Other Financial Information” on page 144.

#### **Comparison with Listed Industry Peer:**

Considering the nature and size of business of the Company, our Company does not have any listed peers

The face value of our share is ₹ 10.00 per share and the Issue Price is of ₹ 121 per share which is 12.10 times of the face value.

#### **Key Performance Indicators**

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of our company in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 04, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Prospectus. Further, the KPIs herein have been certified by JMP Associates, Chartered Accountants by their certificate dated May 04, 2024.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 99 and 147 respectively.

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

#### **Key Performance Indicators of Our Company**

<b>Key Financial Performance</b>	<b>For Period ended December 31, 2023</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Revenue from operations <sup>(1)</sup>	397.00	358.94	139.41	0.00
EBITDA <sup>(2)</sup>	113.80	81.48	22.42	(0.14)
EBITDA Margin <sup>(3)</sup>	28.67%	22.70%	16.08%	-
PAT	75.77	54.30	13.67	(0.14)
PAT Margin <sup>(4)</sup>	19.08%	15.13%	9.80%	-
Networth <sup>(5)</sup>	141.11	70.34	16.05	2.38
RoE % <sup>(6)</sup>	71.66%	125.69%	148.34%	(5.55)%
RoCE% <sup>(7)</sup>	68.30%	92.11%	70.66%	(5.27)%

Notes:

- (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (5) Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.
- (6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- (7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings.

### Explanations for KPI Metrics

KPI	Explanation
Revenue from Operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our 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.
RoE%	RoE provides how efficiently our Company generates profits from Shareholders' Funds
RoCE%	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

### Weighted Average Cost of Acquisition

- (a) The price per share of our Company is based on the primary issuance of equity shares.

Except as disclosed below, there has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue allotted on December 22, 2023 during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

- (b) The price per share of our Company based on the secondary transaction of equity shares

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

- (c) Price per share based on the last five primary or secondary transactions;

Since there are no transactions to report to under (a) & (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Prospectus irrespective of the size of transactions is as follow:

Date of transfer	Name of transferor	Name of transferee	No. of Equity shares	Price Per Equity Share (₹)	Nature of transaction	Total Consideration (₹ in lakhs)
August 21, 2023	Jagjit Singh Dhillon	Paramjit Singh	1.00	-	Consideration other than Cash	-
August 21, 2023	Jagjit Singh Dhillon	Harwinder Kumar	1.00	-	Consideration other than Cash	-
August 21, 2023	Jagjit Singh Dhillon	Bhupinder Singh	1.00	-	Consideration other than Cash	-
December 22, 2023	-	Jagjit Singh Dhillon	5,99,820	-	Bonus Issue	-
December 22, 2023	-	Navneet Kaur	3,00,000	-	Bonus Issue	-

(d) Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Issue Price* (i.e. ₹ 121)
Weighted average cost of acquisition of primary issuance as per paragraph (a) above^	N.A.	N.A.
Weighted average cost of acquisition for secondary transaction as per paragraph (b) above^	N.A.	N.A.
Weighted average cost of acquisition for last five primary or secondary transaction as per paragraph I above	NIL	NIL

**Note:**

**^ There were no primary or secondary sales / acquisition of shares of equity shares in last 18 months and three years from the date of this Prospectus.**

The Company in consultation with the Lead Manager believes that the Issue Price of ₹ 121 per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled “**Risk Factors**” beginning on page 25 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 144 of this Prospectus.

## STATEMENT OF SPECIAL TAX BENEFITS

To  
**The Board of Directors**  
**ASSOCIATED COATERS LIMITED**  
Ashuti Khanberia Maheshstala LP  
20/83/46, Kolkata, Vivekanandapur,  
South 24 Parganas,  
Thakurpukur Mahestola,  
West Bengal- 700141

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to ASSOCIATED COATERS LIMITED (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2024 (as proposed) (i.e. applicable to F.Y. 2024-25 relevant to A.Y. 2025-26) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

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

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

Our views are based on facts indicated to us, the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any such events subsequent, which may have a material effect on the discussions herein. Our views are exclusively for the limited use of the captioned Company in connection with its proposed public issue referred to herein above and shall not, without our prior written

consent, be disclosed to any other person.

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

This certificate along with the annexure 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 to be used, referred to or distributed for any other purpose without our written consent.

**For JMP Associates  
Chartered Accountants  
FRN: 324235E**

**Sd/-  
Manish Gadia  
(Partner)  
Membership No.: 059677  
UDIN: 24059677BKCBHB4018**

**Date: May 04, 2024  
Place: Kolkata**



**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ASSOCIATED COATERS LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2024-25. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

1. Special Tax Benefits to the Company  
77. There are no Special tax benefits available to the Company.
2. Special Tax Benefits available to the shareholders of the Company  
78. There are no Special tax benefits available to the shareholders of the Company.

**Notes:**

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.

The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y. 2024-25 relevant to A.Y. 2025-26.

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

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

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

**For JMP Associates  
Chartered Accountants  
FRN: 324235E**

**Sd/-  
Manish Gadia  
(Partner)  
Membership No.: 059677  
UDIN: 24059677BKCBHB4018**

**Date: May 04, 2024  
Place: Kolkata**

## SECTION VIII: ABOUT THE ISSUER COMPANY

### OUR INDUSTRY

*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.*

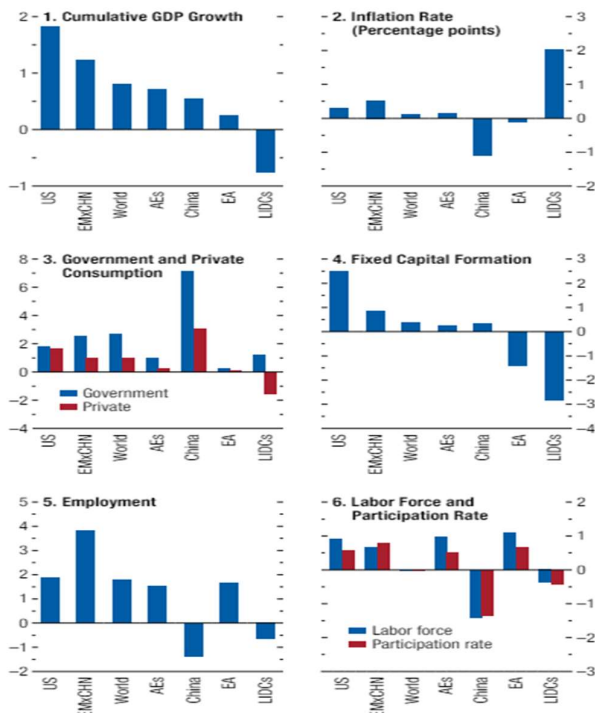
#### GLOBAL ECONOMY AT LARGE

##### Navigating Global Divergences

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

##### Global Prospects and Policies

**Figure 1.2. Performance in 2022–23 Compared with Projections at Time of Cost-of-Living Crisis**  
 (Percent deviation from October 2022 WEO projection, unless noted otherwise)



Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favourable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia’s invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

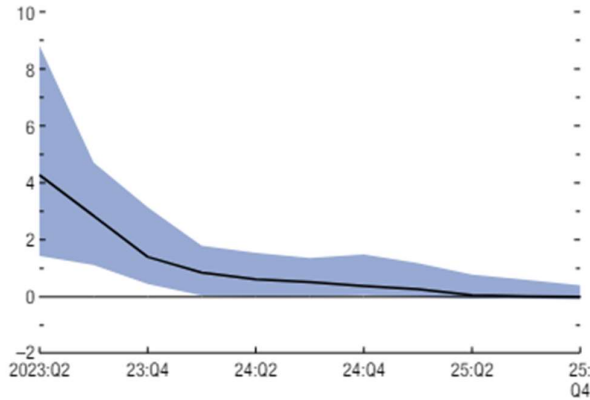
In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies

Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies, including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and

developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries.

**Managing Expectations: Inflation and Monetary Policy**

**Figure 1.16. Inflation Closer to Target**  
(Percentage points; distribution of deviation from inflation target)



Sources: Central bank websites; Haver Analytics; and IMF staff calculations.  
Note: The figure shows the distribution of the deviations of year-over-year inflation from the inflation target or the inflation target midpoint for 61 economies. The line shows the median, and the shaded area indicates the interquartile range.

Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025. A more front-loaded decline is expected for advanced economies, with inflation falling by 2.0 percentage points in 2024, while it declines in 2025 only in emerging market and developing economies. Advanced economies are also expected to return sooner to rates near their prepandemic (2017–19) average, with inflation averaging 2.0 percent in 2025, about a year before emerging market and developing economies are expected to return to their prepandemic average near 5.0 percent. At the same time, a great deal of differentiation is expected among emerging market and developing economies, with the inflation forecast ranging—among the five regions—from only 2.4 percent for emerging and developing Asia, reflecting subdued inflation in China as well as in Thailand, to 18.8 percent for emerging and developing Europe, reflecting elevated inflation in Türkiye.

The global inflation forecast is revised upward by 0.1 percentage point in 2024 from the January 2024

projections. This reflects unchanged projections for advanced economies—with decreases in the euro area, Japan, and the United Kingdom compensated by an increase in the United States—and an upside revision of 0.2 percentage point in emerging market and developing economies, mainly on account of increases in Iran and a few other low-income countries.

The fall in global inflation in 2024 reflects a broad-based decline in global core inflation. This dynamic differs from that in 2023, when global core inflation fell a little on an annual average basis and headline inflation declined mainly on account of lower fuel and food price inflation. In 2024, core inflation is expected to fall by 1.2 percentage points after contracting by just 0.2 percentage point in 2023. As is the case for headline inflation, the fall in core inflation is faster for advanced economies. The drivers of declining core inflation differ by country but include the effects of still-tight monetary policies, a related softening in labour markets, and fading pass-through effects from earlier declines in relative prices, notably in that of energy.

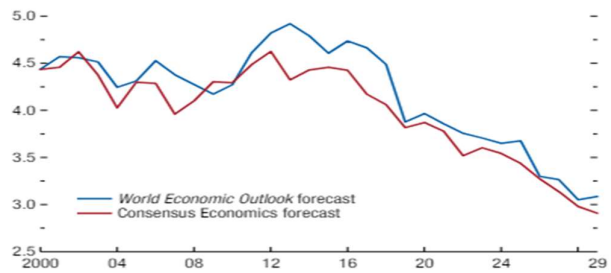
Among economies with an inflation target, headline inflation is projected to be 0.5 percentage point above target (or the midpoint of the target range) for the median economy by the third quarter of 2024 on a quarter-over-quarter basis (Figure 1.16). For advanced economies, however, the median gap between actual and target is expected to be just 0.3 percentage point by the third quarter of 2024, implying a faster return to target levels than in emerging market and developing economies. Most economies are expected to reach levels within a quarter of a percentage point of their targets (or the midpoints of their target ranges) by the second quarter of 2025.

**Slowdown in Global Medium-Term Growth: What Will It Take to Turn the Tide?**

The global economy, while demonstrating remarkable resilience to recent shocks, faces a sobering reality: its medium-term growth prospects have consistently been revised downward since the 2008–09 global financial crisis. This reflects a downward trend in actual global growth, with the slowdown starting in the early 2000s in advanced economies and after the crisis in emerging market and developing economies. This chapter examines the factors behind this trend, revealing that a significant and broad-based slowdown in total factor productivity growth accounted for more than half of the growth decline. This deceleration was driven in part by increased misallocation of capital and labour across firms within sectors. A widespread drop in postcrisis private capital formation and slower working-age-population growth in major economies exacerbated the slowdown. This chapter predicts that, without timely policy interventions or a boost from emerging technologies, global growth will be only 2.8 percent by the end of the decade, significantly below its prepandemic (2000–19) average by a gap of 1 percentage point. This highlights the urgent need for policies and structural reforms that enhance growth by improving capital and labour allocation to more productive firms, enhancing labour force participation, and harnessing the potential of artificial intelligence. Such measures are critical, especially in light of challenges such as high public debt and geoeconomic fragmentation, which could further constrain global growth.

Since the 2008–09 global financial crisis, forecasters have persistently lowered their expectations for growth over the medium term (Figure 3.1). Estimates of potential output growth—an economy’s maximum noninflationary growth given its resources and technological capabilities—indicate a similar decline (Kilic Celik, Kose, and Ohnsorge 2023). This suggests a possible downshift to a lower-growth regime. The growth decline implies worsening prospects for living standards and global poverty reduction. An entrenched low-growth environment, coupled with high interest rates, would threaten debt sustainability and could fuel social tension and hinder the green transition. Furthermore, expectations of weaker growth may deter investment in capital and technologies and so, in part, become self-fulfilling. Therefore, addressing the weakening growth outlook is a policy priority for all economies.

**Figure 3.1. Five-Year-Ahead Real GDP Growth Projections, 2000–29**  
 (World growth, percent)



Sources: Consensus Economics; and IMF staff calculations.  
 Note: *World Economic Outlook* (WEO) sample comprises 196 economies and Consensus Economics sample comprises 88 economies. Global real GDP growth projections are calculated using GDP in purchasing power parity in international dollar weights. The years on the horizontal axis refer to the year for which a forecast is made, using the April WEO from five years earlier. For example, the 2029 forecast is based on the April 2024 WEO, and so on. The red line depicts the mean of the Consensus Economics forecasts.

Changes in growth performance can be attributed to the contributions of labour and capital inputs and the efficiency of their use—known as total factor productivity (TFP). Among these proximate drivers, growth in labour inputs is held back by demographic pressures and declining labour force participation trends (Chapter 2 of the April 2018 World Economic Outlook [WEO]; Goodhart and Pradhan 2020). In addition, ever since the global financial crisis, anemic private investment in advanced economies has impeded capital deepening (Chapter 4 of the April 2015 WEO; Döttling, Gutiérrez, and Philippon 2017). However, a comprehensive analysis of business investment dynamics that includes emerging market economies is lacking.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024> )

## INDIAN INDUSTRY OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government’s continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India’s exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, 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-December 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.

India’s appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## MARKET SIZE

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to

list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.



- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

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

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.



- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by 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 IT companies and start-ups in both countries.
- India and Namibia entered 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 (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 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).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.

- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average

Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.

- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, 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 FY23; it is expected to raise Rs. 4 trillion (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 FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

*Note: Conversion rate used for January 2024 is Rs.1 = US\$ 0.012*

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

## INDIAN SERVICE INDUSTRY

The reforms of the 1990s have been associated with the expansion of the service sector in India. Midway through the 1980s, the service sector began to expand, but it took off in the 1990s when India started a series of economic reforms in response to a serious balance of payments issue.

The services sector is not only the dominant sector in India's GDP but has also attracted significant foreign investment, has contributed significantly to exports, and has provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. To enhance India's commercial services exports, share in the global services market from 3.3% and permit a multi-fold expansion in the GDP, the government is also making significant efforts in this direction.

The service sector has over 50% contribution to India's GDP, and it had witnessed a growth of 9.1% in 2022-23. Out of 8.12 million jobs in FY23, service sector companies in IT, banking, and finance accounted for almost half of the new jobs generated. The share of the services sector accounted for 57% of the total GVA in FY24 (April-September) as per advance estimates. The services category ranked first in FDI inflows, as per data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

India is a unique emerging market in the globe due to its unique skills and competitive advantage created by knowledge-based services. The Indian services industry, which is supported by numerous government initiatives like smart Cities, clean India, and digital India is fostering an environment that is strengthening the services sector. The sector has the potential to open up a multi-trillion-dollar opportunity that might stimulate symbiotic growth for all nations. Service providers in India continued to signal positive demand trends in June, which underpinned a stronger increase in new business volumes and further job creation.



In December 2023, services exports grew by 1.3% to US\$ 31.6 billion, driven by software, business, and travel services. While Imports declined by 1.2%, resulting in a record high net earnings of US\$ 16.0 billion. During October-December 2023, India experienced a 5.1% YoY to US\$ 87.7 billion with a trade surplus of US\$ 44.9 billion, growth in services exports, driven by software, business, and travel services.

## MARKET SIZE

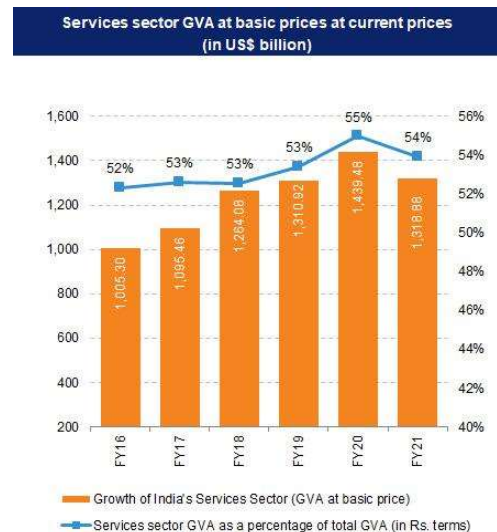
The services industry performed well in H2:2022-23, boosted by contact-intensive services and building activities. India's services sector GVA increased YoY by 11.43% to Rs. 72.69 trillion (US\$ 871.59 billion) in FY24\* (April-September), from Rs. 68.81 trillion (US\$ 1,005.30 billion) in FY16. India 's IT and business services market is projected to reach US\$ 19.93 billion by 2025.

The PMI services remained in the expansion zone in September 2023, at 61, led by good demand conditions and new business gains, followed by a decline in November 2023. With the fastest growing (9.2%) service sector globally, the sector accounts for a 66% share of India's GDP and generates about 28% of the total employment in India. As per the First Advance Estimates, Gross Value Added (GVA) in the services sector is estimated to grow at 9.1% in FY23, driven by 13.7% growth in the contact-intensive services sector.

## RECENT INVESTMENTS/ DEVELOPMENTS

Some of the investments/ developments in the services sector in the recent past are as follows:

- The Indian services sector was the largest recipient of FDI inflows worth US\$ 108 billion between April 2000-December 2023.



- According to the Ministry of Commerce and Industry, the service sector received US\$ 5.1 billion in FDI equity inflows in FY24 (April-December).
- According to RBI's Scheduled Banks' Statement, deposits of all scheduled banks collectively surged by a whopping Rs.1.75 lakh crore (US\$ 2,110.87 billion) as of December 1st, 2023.
- The Indian hotel industry experienced a resurgence in 2023, fuelled by domestic leisure travel, MICE events, and business travellers' return. Premium hotels saw higher occupancy and room rates, with continued domestic travel growth expected in 2024.
- India's telephone subscriber base stood at 1190 million as of December 2023.
- At the end of December 2023, the top five service providers controlled 98.35% of the total broadband subscribers. These service providers were Reliance Jio Infocom Ltd stood at 470.19 million, followed by Bharti Airtel 264.76 million, Vodafone Idea 127.29 million, BSNL 25.12 million and Atria Convergence 2.23 million.
- Since the launch of the Startup India initiative in 2016, DPIIT has recognized 122, 943 entities as startups as of February 2024.
- As per report by BCG, by 2030, the fintech sector is expected to reach a value of US\$ 1.5 trillion. The Asia-Pacific region is set to surpass the US, emerging as the leading global fintech market by the same year.
- India took the lead with the fintech adoption rate of 87%, substantially higher than the world average of 64%.
- According to the IVCA-EY monthly PE/VC roundup, October 2022 recorded investments worth US\$ 3.3 billion across 75 deals, including six large deals worth US\$ 2.2 billion. Exits were recorded at US\$ 1.6 billion across 15 deals in October 2022.
- The Indian healthcare industry represents approximately US\$ 372 billion and is experiencing a compounded annual growth rate (CAGR) of 22%. With the significant population size, there exists substantial potential for expansion, as stated by G.S.K. Velu, the chairman & managing director of Trivitron Healthcare & Neuberg Diagnostics Group.
- In June 2022, HCL Technologies (HCL), a leading global technology company, announced the opening of its new 9,000 sq. ft. delivery centre in Vancouver, Canada. The new centre will significantly expand its presence in the country to serve clients primarily in the HiTech industry.
- The IT-BPM sector holds the potential to grow between 10-15% per annum. The IT and fintech segments provide over US\$ 155 billion in gross value to the economy annually.
- The IT and business services market will grow at a CAGR of 8.3% between 2021-26, reaching a US\$ 20.5 billion valuation by the end of 2026.
- By October 2021, the Health Ministry's eSanjeevani telemedicine service, crossed 14 million (1.4 crore) teleconsultations since its launch, enabling patient-to-doctor consultations, from the confines of their home, and doctor-to-doctor consultations.
- The Indian healthcare industry is expected to shift to digitally enabled remote consultations via teleconsultation. The telemedicine market in India is expected to increase at a CAGR of 31% from 2020 to 2025.

## GOVERNMENT INITIATIVES

The Government of India recognises the importance of promoting growth in the services sector and provides several incentives across a wide variety of sectors like health care, tourism, education, engineering, communications, transportation, information technology, banking, finance and management among others.

- Centre has formulated an 'Action Plan for Champion Sectors in Services' to give focused attention to 12 identified Champion Services Sectors.
- India's tourism and hospitality sector may earn US\$ 50.9 billion as visitor exports by 2028.



- As per 2022 University Grants Commission (UGC) statistics, there are a total of 1,072 universities in the country, including 460 state universities, 128 deemed to be universities (a status of autonomy granted to high-performing institutes and universities by the Department of Higher Education), 54 central universities (established by the Department of Higher Education), and 430 private universities.
- The Government of India has adopted a few initiatives in the recent past, some of these are as follows: As of November 9, 2022, the number of bank accounts opened under the government's 'Pradhan Mantri Jan Dhan Yojana (PMJDY)' scheme reached 47.39 crore and deposits in Jan Dhan bank accounts totalled Rs. 1.76 lakh crore (US\$ 21.59 billion).
- In October 2021, the government launched a production-linked incentive (PLI) scheme to boost manufacturing of telecom and networking products in India. The scheme is expected to attract an investment of ~Rs. 3,345 crore (US\$ 446.22 million) over the next four years and generate additional employment for >40,000 individuals.
- In October 2021, the government launched phase II of the Mahatma Gandhi National Fellowship to empower students and boost skill development.
- In October 2021, the PM Ayushman Bharat Health Infrastructure Mission was launched by the government, to strengthen the critical healthcare network across India in the next four to five years.
- The Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US\$ 6.8 billion) to boost healthcare infrastructure in the country. The programme will allow companies to access funds to ramp up hospital capacity or medical supplies with the government acting as a guarantor.
- Under the Union Budget 2021-22, the government allocated Rs. 7,000 crore (US\$ 963.97 million) to the BharatNet programme to boost digital connectivity across India.
- The FDI limit for insurance companies has been raised from 49% to 74% and 100% for insurance intermediates.
- On January 15, 2021, the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched in 600 districts with 300+ skill courses. Spearheaded by the Ministry of Skill Development and Entrepreneurship, the third phase will focus on new-age and COVID-related skills. PMKVY 3.0 aims to train eight lakh candidates.
- In January 2021, the Department of Telecom, Government of India, signed an MoU with the Ministry of Communications, Government of Japan, to strengthen cooperation in the areas of 5G technologies, telecom security and submarine optical fibre cable systems.
- In the next five years, the Ministry of Electronics and Information Technology is working to increase the contribution of the digital economy to 20% of GDP. The government is working to build a cloud-based infrastructure for collaborative networks that can be used for the creation of innovative solutions by AI entrepreneurs and startups.
- On Independence Day 2020, Prime Minister Mr. Narendra Modi announced the National Digital Health Mission (NDHM) to provide a unique health ID to every Indian and revolutionise the healthcare industry by making it easily accessible to everyone in the country. The policy draft is under 'public consultation' until September 21, 2020.
- In September 2020, the Government of Tamil Nadu announced a new electronics & hardware manufacturing policy aligned with the old policy to increase the state's electronics output to US\$ 100 billion by 2025. Under the policy, it aims to meet the requirement for incremental human resources by upskilling and training >100,000 people by 2024.
- The Government of India has launched the National Broadband Mission to provide Broadband access to all villages by 2022.

## ROAD AHEAD

Both domestic and global factors influence the growth of the services sector. An extensive range of service industries has experienced double-digit growth in recent years, supported by digital technologies and institutional frameworks made possible by the government. The ease of doing business in India has significantly increased for domestic and foreign firms due to considerable advancements in culture and the government outlook. Due to ongoing changes in the areas of lowering



trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years. Over the next 10 years, the National Digital Health Blueprint can unlock the incremental economic value of over US\$ 200 billion for the healthcare industry in India.

India's digital economy is estimated to reach US\$ 1 trillion by 2025. By the end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8% growth. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of the availability of GST input credit, which will result in a reduction in the prices of services. India's software service industry is expected to reach US\$ 1 trillion by 2030.

Due to ongoing changes in the areas of lowering trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years.

*Note: The conversion rate used for August 2023 is Rs. 1 = US\$ 0.012*

*References: Media Reports, Press Releases, DPIIT publication, Press Information Bureau*

*Note: \*- Services sector includes Financial, Banking, Insurance, Non-Financial / Business, Outsourcing, R&D, Courier, Tech Testing and Analysis, Other*

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

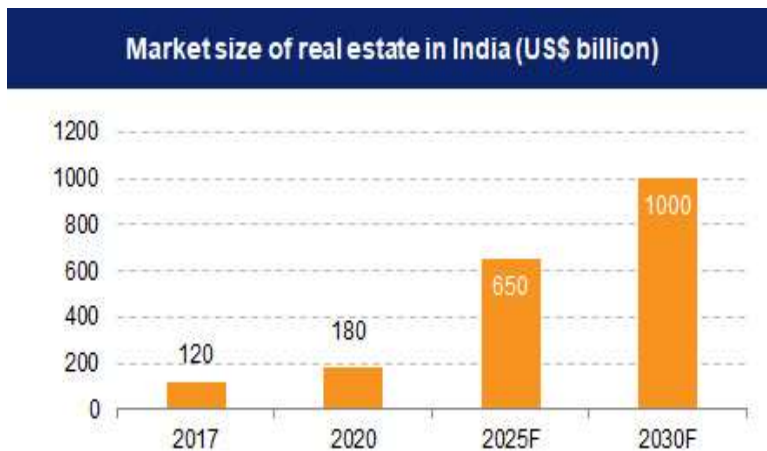
## REAL ESTATE INDUSTRY REPORT

### INTRODUCTION

The real estate sector is one of the most globally recognized sectors. It comprises of four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth in the corporate environment and the demand for office space as well as urban and semi-urban accommodation. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It was also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Bengaluru was expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

### MARKET SIZE



By 2040, real estate market will grow to Rs. 65,000 crore (US\$ 9.30 billion) from Rs. 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

India's real estate sector is expected to expand to US\$ 5.8 trillion by 2047, contributing 15.5% to the GDP from an existing share of 7.3%.

In FY23, India's residential property market witnessed with the value of home sales reaching an all-time high of Rs. 3.47 lakh crore (US\$ 42 billion), marking a robust 48% year-on-year increase. The volume of sales also exhibited a strong growth trajectory, with a 36% rise to 379,095 units sold. Indian real estate developers operating in the country's major urban centres are poised to achieve a significant feat in 2023, with the completion of approximately 558,000 homes.

India's real estate sector saw over 1,700 acres of land deals in top eight cities in the first nine months of FY22. Foreign investments in the commercial real estate sector were at US\$ 10.3 billion from 2017-2021. As of February 2022, Developers expected demand for office spaces in SEZs to shoot up after the replacement of the existing SEZs act.

As per ICRA estimates, Indian firms were expected to raise >Rs. 3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US\$ 29 billion to date.

The office market in the top eight cities recorded transactions of 22.2 msf from July 2020 to December 2020, whereas new completions were recorded at 17.2 msf in the same period. In terms of share of sectoral occupiers, Information Technology (IT/ITeS) sector dominated with a 41% share in the second half of 2020, followed by BSFI and Manufacturing sectors with 16% each, while Other Services and Co-working sectors recorded 17% and 10%, respectively.

Around 40 million square feet were delivered in India in 2021. It is expected that the country will have a 40% market share in the next 2-3 years. India was expected to deliver 46 million square feet in 2022. According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025. In 2020, the manufacturing sector accounted for 24% of office space leasing at 5.7 million square feet. SMEs and electronic component manufacturers leased the most between Pune, Chennai and Delhi NCR, followed by auto sector leasing in Chennai, Ahmedabad and Pune. The 3PL, e-commerce and retail segments accounted for 34%, 26% and 9% of office space leases, respectively. Of the total PE investments in real estate in Q4 FY21, the office segment attracted 71% share, followed by retail at 15% and residential and warehousing with 7% each.

In 2022, office absorption in the top seven cities stood at 38.25 million Sq. ft. In the first quarter of 2023 (January-March), net office absorption in the top six cities stood at 8.3 million sq. ft. Fresh real estate launches across India's top seven cities grabbed a 41% share in the first quarter of 2023 (January-March), marking an increase from the 26% recorded in the same period four years ago. Out of approximately 1.14 lakh units sold across the top seven cities in the first quarter of 2023, over 41% were fresh launches. In the third quarter of 2021 (between July 2021-September 2021), new housing supply stood at ~65,211 units, increased by 228% YoY across the top eight cities compared with ~19,865 units launched in the third quarter of 2020. In 2021-22, the commercial space was expected to record increasing investments. For instance, in October 2021, Chintels Group announced to invest Rs. 400 crore (US\$ 53.47 million) to build a new commercial project in Gurugram, covering a 9.28 lakh square feet area. The transactions of commercial real estate doubled and reached 1.5 million sq. ft. in Q1 of 2023.

According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

## INVESTMENTS/DEVELOPMENTS

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces.

The Private Equity Investments in India's real estate sector, stood at US\$ 4.2 billion in 2023.

The Private Equity Investments in India's real estate sector, stood at US\$ 3.4 billion in 2022.

India's real estate sector saw a three-fold increase in foreign institutional inflows, worth US\$ 26.6 billion during 2017-2022.

Exports from SEZs reached Rs. 7.96 lakh crore (US\$ 113.0 billion) in FY20 and grew ~13.6% from Rs. 7.1 lakh crore (US\$ 100.3 billion) in FY19.

In July 2021, the Securities and Exchange Board of India lowered the minimum application value for Real Estate Investment Trusts from Rs. 50,000 (US\$ 685.28) to Rs. 10,000-15,000 (US\$ 137.06 - US\$ 205.59) to make the market more accessible to small and retail investors.

FDI in the sector (including construction development & activities) stood at US\$ 56.03 billion from April 2000-March 2023.

Some of the major investments and developments in this sector are as follows:

- The sale of luxury homes in India increased by 130% in the first half of 2023 compared to the corresponding period of the previous year. Between January-June 2023, 6,900 luxury homes costing Rs. 4 crore (US\$ 488,011.96) and above were sold, as opposed to 3,000 in 2022.
- In India's top eight cities, housing prices rose 7% year-over-year due to strong housing demand supported by persistent purchaser demand and steady borrowing rates.

- The Indian real estate sector witnessed strong private equity (PE) investments of US\$ 1.92 billion in Q2 of 2023, demonstrating investor confidence in the market. According to the most recent Investment report from Cushman & Wakefield, this was 63% higher than the previous quarter (Q1 of 2023) and 60% higher than the same time last year.
- In July 2023, Delhi-NCR emerged as the third biggest city in the Asia Pacific in having flexible office space stock beating Beijing and Seoul, while Bengaluru retained the top spot, according to real estate consultant CBRE.
- Transactions for office spaces in April-June 2023, which totalled 14.8 million square feet, represented the highest quarterly figure recorded since Q1 2021.
- During the first half of 2023, institutional investments in the office sector increased by 2.5 times year-on-year, reaching US\$ 2.7 million.
- In FY23, Delhi-NCR received 32% of the total private equity (PE) investment in the real estate sector.
- Sales in the luxury residential market scaled by 151% year-over-year (y-o-y) in the quarter from January-March, 2023.
- Housing sales in top seven Indian cities stood at 1.14 lakh units in Q1 of 2023, an increase of over 99,500 units compared to the same period of 2022.
- In Q1 of 2023, Bengaluru, Delhi-NCR and Chennai together accounted for two-thirds of quarterly demand. At 27%, flexible workspace was the biggest contributor to demand.
- As of June 5, 2023, 119.7 lakh houses have been sanctioned and 74.75 houses have been completed and delivered to urban poor under the Pradhan Mantri Awas Yojana-Urban (PMAY-U).
- Between January-July 2022, private equity investment inflows into the real estate sector in India stood at US\$ 3.27 billion.
- Home sales across top eight cities in India surged 68% YoY to reach ~308,940 units in 2022, signifying a healthy recovery in the sector.
- Retail real estate segment attracted institutional investments of US\$ 492 million in 2022.
- In the third quarter of 2021, the Institutional real estate investment in India increased by 7% YoY. Investment registered in the first nine months of 2021 stood at US\$ 2,977 million, as against US\$ 1,534 million in the same period last year.
- In November 2021, Ascendas India bought Aurum Ventures' 16-storey commercial tower in Navi Mumbai for Rs. 353 crore (US\$ 47 million), making it the largest deal of a standalone commercial tower by a global institutional investor during the past few years.
- REA India-owned online real estate company Housing.com tied up with online legal assistance start-ups LegalKart, Lawrato, Vidhikarya and Vakil in 2021 to offer legal advice and assistance to homebuyers.
- Top three cities—Mumbai (~39%), NCR-Delhi (~19%) and Bengaluru (~19%)—attracted ~77% of the total investments recorded in the third quarter of 2021.
- India's flexible space stock was likely to expand by 10-15% YoY, from the current 36 million sq. ft., in the next three years, according to a report by CBRE.
- To establish an investment platform for the Indian retail-led mixed-use assets, in June 2021, GIC announced to acquire a minority stake in Phoenix Mills' portfolio (worth US\$ 733 million).
- In May 2021, Blackstone Real Estate acquired Embassy Industrial Parks for Rs. 5,250 crore (US\$ 716.49 million) to expand its presence in the country.
- To expand into the Indian real estate market, SRAM & MRAM Group collaborated with Area CAS Developers and Infrastructure Private Limited (Area Group), and Gupta Builders and Promoters Private Limited (GBP Group) of India. It plans to invest US\$ 100 million in the real estate sector.
- According to Anarock, housing sales in seven cities increased by 29% and new launches by 51% in Q4 FY21 over Q4 FY20.
- Private market investor, Blackstone, which has significantly invested in the Indian real estate sector (worth Rs. 3.8 lakh crore (US\$ 50 billion) is seeking to invest an additional Rs. 1.7 lakh crore (US\$ 22 billion) by 2030.
- In 2021, working remotely was being adopted at a fast pace and demand for affordable houses with ticket size below Rs. 40-50 lakh was expected to rise in Tier 2 and 3 cities, leading to an increase in prices in those geographies.
- In April 2021, HDFC Capital Advisors (HDFC Capital) partnered with Cerberus Capital Management (Cerberus) to create a platform that will focus on high-yield opportunities in the residential real estate sector in India. The platform seeks to purchase inventory and provide last-mile funding for under construction residential projects across the country.
- In March 2021, Godrej Properties announced it would launch 10 new real estate projects in Q4.
- In March 2021, Godrej Properties increased its equity stake in Godrej Realty from 51% to 100% by acquiring equity shares from HDFC Venture Trustee Company.
- In January 2021, SOBHA Limited's wholly owned subsidiary, Sabha Highrise Ventures Pvt. Ltd. acquired 100% share in Annalakshmi Land Developers Pvt. Ltd.

## GOVERNMENT INITIATIVES

Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Below are some of the other major Government initiatives:

- In the Union Budget 2023-24, the Finance Ministry announced a commitment of Rs. 79,000 crore (US\$ 9.64 billion) for PM Awas Yojana, which represents a 66% increase compared to the last year.
- In October 2021, the RBI announced to keep benchmark interest rate unchanged at 4%, giving a major boost to the real estate sector in the country. The low home loan interest rates regime was expected to drive the housing demand and increase sales by 35-40% in the festive season in 2021.
- Under Union Budget 2021-22, tax deduction up to Rs. 1.5 lakh (US\$ 2069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22.
- The Atmanirbhar Bharat 3.0 package announced by Finance Minister Mrs. Nirmala Sitharaman in November 2020 included income tax relief measures for real estate developers and homebuyers for primary purchase/sale of residential units of value (up to Rs. 2 crore (US\$ 271,450.60) from November 12, 2020 to June 30, 2021).
- In order to revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet approved the setting up of Rs. 25,000 crore (US\$ 3.58 billion) alternative investment fund (AIF).
- Government created an Affordable Housing Fund (AHF) in the National Housing Bank (NHB) with an initial corpus of Rs. 10,000 crore (US\$ 1.43 billion) using priority sector lending short fall of banks/financial institutions for micro financing of the HFCs.
- As of December 31, 2022, India had formally approved 425 SEZs, and as of January, 2023, 270 SEZs are operational. Most special economic zones (SEZs) are in the IT/ BPM sector.

## ROAD AHEAD

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth Rs. 1.25 trillion (US\$ 19.65 billion) in the Indian market in the coming years. Responding to an increasingly well-informed consumer base and bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family-owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The residential sector was expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.



The current shortage of housing in urban areas was estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The growing flow of FDI in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards. Indian real estate was expected to attract a substantial amount of FDI with US\$ 8 billion capital infusion by FY22.

*References: : Media Reports, Press releases, Knight Frank India, VCEdge, JLL Research, CREDAI-JL, Union Budget 2021-22, Union Budget 2023-24*

*Note: Conversion rate used in August 2023, Rs. 1 = US\$ 0.012*

*(Source: <https://www.ibef.org/industry/real-estate-india>)*



## OUR BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the detailed financial and other information included in this Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 25 of this Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors”, “Financial Statement” beginning on page 25 and 171 respectively, of this Prospectus.*

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

### OVERVIEW OF OUR BUSINESS

#### **Our Core business is as follows:**

Our Company is engaged in the business of providing services by way of pre-treatment and powder coating of aluminium extrusions in Architect and Real Estate Industry. The process begins with a comprehensive cleaning, where the targeted surface of aluminium extrusions is thoroughly cleansed of any dirt, grease, or contaminants that might impede the subsequent coating process. Following this, a strategic chemical solution is applied to enhance the adhesion of the powder coating. This involves the application of an acidic solution for surface etching or the use of a specialized pretreatment agent to optimize surface wettability.

The application of powder coating itself is a precision art. Executed with an electrostatic spray gun, this method involves imparting a negative charge to the powder particles. These charged particles are then irresistibly drawn to the positively charged surface, creating a magnetic-like adhesion. The subsequent step involves the melting and fusion of these particles, resulting in a flawlessly even coating.

To fortify the durability of the coating, a carefully calibrated heating process follows. This involves subjecting the coated surface to elevated temperatures, the specifics of which depend on the unique characteristics of the powder coating employed. This curing process not only enhances durability but also ensures a lasting finish.

Post-curing, a meticulous inspection is conducted to guarantee uniform application and adherence to specified thickness standards. Any detected defects or imperfections are rectified at this stage, showcasing our unwavering commitment to delivering a flawless product. Only after passing our stringent quality checks does the coated item move to the final stages of packaging and shipment. Our dedication to precision and quality underscores every step of our process, ensuring that our customers receive nothing short of excellence in every coated aluminium extrusion.

Located in Vivekanandapur, 24 Paraganas (south), Kolkata, our company takes pride in providing timely and efficient deliveries of powder-coated aluminium sections across Kolkata, Orissa, Siliguri, Bihar, and Jharkhand.

Over our six-year journey, we have evolved into the Approved Applicator of Akzo Nobel, Jotun, and Asian Paints in Architectural coating. Our yearly capacity is 1,200 metric tons which includes Automatic Coating Plant and Manual Coating Plant, making us a growing player in eastern India in terms of aluminium extrusion coaters. Our Continuous investments in cutting-edge equipment have positioned us at the forefront of technology. Currently, we operate two manual powder coating plants and a fully automatic powder coating plant established in July 2017. Our commitment to innovation is evident in the installation of a Decoral wood finish line in September 2017 and a PVDF Coating Line in 2023. Striving for quality improvement is at the core of our mission. Our full immersion pre-treatment process, closely monitored by our chemical supplier, plays a crucial role in maintaining high standards. Combined with the use of architectural-grade super durable powder, we ensure the delivery of top-notch quality.

As an ISO 9001:2015 certified organization, we adhere to a robust Quality Management System. Our dedication lies in providing work of superior quality that aligns with project standards and specifications for materials, workmanship, schedules, and public service. We are committed to profitability and competitiveness while ensuring continual improvement through quality processes overseen by a strong management team. Our quality control process guarantees the highest standards of safety and environmental protection, meeting client expectations and adhering to defined standards and specifications.

Our team of skilled supervisors is dedicated to delivering outstanding results, tailored to the specific needs of our clients. With a committed workforce, inherent strength, and collaborations with fabricators, we adapt our services to assist businesses in achieving their goals. The instrumental role played by our Promoter and Key Managerial Personnel in the company's growth is noteworthy. Before incorporating our company, the Promoter successfully executed large-scale projects through a sole proprietorship established in 2006 for powder coating contracts. With a robust management team boasting significant industry experience, we attribute our market position to the vision of our Promoters and senior management team, each with over a decade of experience in the industry.

Our Company was originally incorporated on December 22, 2017, as a Private Limited Company in the name of “Associated Coaters Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Kolkata. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 24, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Associated Coaters Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 19, 2023 by the Registrar of Companies, Kolkata. The Corporate Identification Number of our Company is U28129WB2017PLC224001

## OUR SERVICES

- **POWDER COATING:**

Our company boasts substantial expertise in the realm of powder coating, a technique involving the application of dry powder onto a charged surface. This method results in a more robust coating in a single application compared to traditional paint. The electrostatic charge effectively adheres the coating to the surface, creating a lasting finish after curing. Given the intricate preparation and coating process, powder coating proves particularly advantageous for sizable orders.

Two primary types of powder coating exist thermoplastic and thermoset each distinguished by its curing methods and properties.

Firstly, thermoplastic coating undergoes melting and flowing when heated, retaining the same chemical composition upon solidification. This type offers superior impact resistance in the final product. Achieving an even flow over the surface demands time and elevated temperatures. Thermoplastic applications typically require a thicker application than thermoset coatings and may not exhibit as visually pleasing results. Our company provides this relatively new process, boasting the necessary infrastructure to extend this service nationwide.

Secondly, thermoset powder coatings undergo an irreversible chemical change during curing, producing a durable, hardened coating. While these coatings still melt and flow when heated, their chemical structure cross-links permanently, forming a composition distinct from the base resin. This results in a coating that does not remelt under high temperatures and offers enhanced scratch resistance compared to thermoplastics. Although thermoset coatings create thinner films, they can be more visually appealing, especially when applied in moderate thicknesses. It's noteworthy that over 90% of our revenue is derived from this service.

Over our Six years journey, our company has consistently evolved, earning the distinction of being the first Approved Applicator of Akozonobel, Jotun, and Asian Paints in eastern India for architectural coating.





*Manual Powder coating at our plant.*

- **PVDF COATING**

In addition to our prowess in Powder Coating, our company is at the forefront of Polyvinylidene Fluoride (PVDF) coatings. These coatings represent a factory-applied, resin-based system, typically enriched with embedded color pigment particles that offer a diverse array of matte-finish colors. Renowned for their exceptional resistance to the deleterious effects of sunlight, moisture, and temperature variations, PVDF coatings find prominent use in architectural applications. Commonly applied to aluminium wall cladding, curtain walls, and roofing sheets, PVDF coatings are a testament to our commitment to delivering top-tier solutions.

Our company stands out with a robust infrastructure, equipped with the latest PVDF coating guns, cutting-edge PVDF booths, and more. This comprehensive setup ensures that we consistently deliver the highest quality to our discerning customers. With a focus on precision and excellence, we continue to set industry standards in the realm of PVDF coatings.



*PVDF coating at our plant*

- **WOOD FILM COATING**

Our Wood Film Coating services are meticulously crafted to serve as an ideal base coat for sublimation decoration techniques. This intricate process involves a physical reaction between specialized inks and polyurethane powder coating. Through carefully controlled conditions of heat and pressure, photographic images seamlessly permeate into the powder coating, resulting in a stunning and durable finish.

Our commitment to precision and innovation shines through in this specialized service, where we blend artistry with cutting-edge technology to achieve remarkable outcomes. By seamlessly merging form and function, our wood film coating not only enhances aesthetics but also ensures longevity. As a testament to our dedication to excellence, we continue to cater to the unique needs of our clients, setting new benchmarks in the realm of wood film coating.

- **INDUSTRIAL FABRICATION**

In addition to our diverse portfolio of services, we extend our expertise to Industrial Fabrication for select customers and clients. While this sector contributes less than 5% to our total turnover, it remains an integral aspect of our comprehensive offerings. Our strategic approach involves focusing on other segments while engaging in Industrial Fabrication on a need basis.

Our commitment to excellence and customer satisfaction is reflected in the tailored solutions we provide within the realm of industrial fabrication. By prioritizing specific segments, we ensure a concentrated and specialized approach that aligns with the evolving needs of our clients. This strategic balance allows us to optimize our resources and deliver exceptional results in both our core areas and industrial fabrication when required.

## Key Performance Indicators of Our Company

Key Financial Performance	For Period ended December 31, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>	397.00	358.94	139.41	0.00
EBITDA <sup>(2)</sup>	113.80	81.48	22.42	(0.14)
EBITDA Margin <sup>(3)</sup>	28.67%	22.70%	16.08%	-
PAT	75.77	54.30	13.67	(0.14)
PAT Margin <sup>(4)</sup>	19.08%	15.13%	9.80%	-
Networth <sup>(5)</sup>	141.11	70.34	16.05	2.38
RoE % <sup>(6)</sup>	71.66%	125.69%	148.34%	(5.55)%
RoCE% <sup>(7)</sup>	68.30%	91.11%	70.66%	(5.27)%

### Notes:

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

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings.

## OUR PROCESS:

### 1. Marketing Outreach:

- Initiate marketing campaigns to create awareness about pre-treatment and powder coating services.
- Utilize online and offline channels, including social media, industry events, and targeted advertising.

### 2. Lead Generation:

- Capture leads through website inquiries, direct contact at industry events, and referrals.
- Implement a robust system to track and manage leads efficiently.

### 3. Initial Contact:

- Reach out to potential customers to understand their requirements.
- Provide basic information about the pre-treatment and powder coating processes.

### 4. Needs Assessment:

- Conduct a detailed assessment of the customer's specific aluminium extrusion coating requirements.
- Gather information on volume, coating specifications, and desired outcomes.

### 5. Quotation and Proposal:

- Provide a detailed quotation based on the assessed needs.
- Include information on pricing, turnaround times, and any customization options.

### 6. Negotiation and Agreement:

- Engage in negotiations to address any specific customer requirements or concerns.
- Finalize the agreement terms, including service scope and delivery expectations.

### 7. Order Confirmation:

- Obtain formal confirmation and acceptance of the quoted terms from the customer.
- Acknowledge the order and establish a clear communication channel.\

#### **8. Pre-Treatment Process:**

- Begin the pre-treatment process upon the arrival of aluminium extrusions.
- Thoroughly clean and treat the surfaces as outlined in the pre-treatment process.

#### **9. Powder Coating Application:**

- Apply powder coating using an electrostatic spray gun.
- Ensure even coverage and adhesion, following the specified processes.

#### **10. Curing Process:**

Subject the coated items to the curing process, optimizing temperature and time based on the powder coating type.

#### **11. Quality Inspection:**

- Conduct a rigorous inspection to ensure even coating and adherence to thickness standards.
- Rectify any defects or imperfections identified during inspection.

#### **12. Customer Approval:**

- Share inspection results with the customer for approval.
- Address any additional requests or concerns.

#### **13. Packaging and Shipment:**

- Package the coated items securely.
- Arrange for timely and secure shipment to the customer's location.

#### **14. Follow-Up and Feedback:**

- Follow up with the customer to gather feedback on the service.
- Address any post-service concerns or inquiries.

#### **15. Relationship Management:**

- Nurture ongoing relationships through regular communication and updates.
- Encourage repeat business and referrals through exceptional service.

This flow chart outlines a comprehensive process, from the initial marketing outreach to post-service relationship management, ensuring a smooth and customer-focused experience.

### **PLANT & MACHINERY**

Our operational process is further supported by equipment for pre treatment and powder coating of aluminium extrusions which is essential for the seamless execution of projects. As of November 30, 2023, our company proudly owns a comprehensive array of major machinery and equipment. This strategic investment underscores our dedication to staying at the forefront of technology, enabling us to deliver projects with precision and efficiency.

S. No.	Equipment Name	Number
1.	*Curing Oven	1
2.	*Painting Booth	2
3.	*Powder Coating Machines	2
4.	*Cyclones	2
5.	*Compressor	2
6.	*Crane	1
7.	*Curing Oven	1
8.	*Painting Booth	2
9.	*Powder Coating Machines	2
10.	*Cyclones	2
11.	*Compressor	2
12.	*Double Head Cutting Machine	1
13.	*Single Head Cutting Machines	1
14.	*Copy Router Machine	1
15.	*Milling Machine	1
16.	*Bending Machine	1
17.	*Wood Coating Machine	1
18.	*Curing Oven	30 Mtrs
19.	*Fully Automatic Powder Coating Machine	1 No
20.	*Reciprocator	2 Nos
21.	*Powder Coating Guns	4 Nos
22.	*Compressor	3 Nos
23.	*Stabilizer	1 Nos
24.	*Submersible Pump	1 Nos
25.	*Crane	1 No
26.	*Conveyor	160 ft
27.	PVDF Coating Guns	6 Nos
28.	PVDF Coating Booth	3 Nos
29.	*Air Dryer	1 No
30.	Tools & Tackels	Miscellaneous

*\*These assets were bought from Our promoter Mr. Jagjit Singh Dhillon.*

Our operational process is further supported by equipment for pre-treatment and powder coating of aluminium extrusions which is essential for the seamless execution of projects.

PVDF Coating Machine no. 1. PVDF Coating Machines





**PVDF Coating Machine Unit no 3**



**Unit 2 of PVDF Coating**



**Unit 2 of PVDF Coating Plant**



**Powder Coating Booth**



**Heat chamber UNIT 1**

**Moisture Separator**

**Control Panel**

**Automatic Powder Coating Machine Controller**


## OUR COMPETITIVE STRENGTHS

### Robust Project Execution Capabilities and Proven Industry Expertise

As of November 30, 2023, our company is actively engaged in the successful management of 13 ongoing projects, boasting a cumulative order book value exceeding ₹ 200 lakhs. Our unwavering commitment revolves around harnessing our formidable project management and execution capabilities, ensuring the timely completion of projects without compromising on the high standards of service quality.

At the core of our operational strength lies our in-house team, equipped with cutting-edge machinery and equipment. This seamless integration empowers us to execute projects with precision and efficiency, underscoring our dedication to delivering exceptional results. Our skilled manpower further enhances our capabilities, enabling us to adhere to project standards and specifications pertaining to materials, workmanship, schedules, and public service.

The strategic synergy of our in-house team, state-of-the-art machinery, and skilled workforce not only positions us as a fully integrated entity but also underscores our ability to provide top-notch work. This commitment extends to meeting the stringent demands of our customers while ensuring profitability and competitiveness in the dynamic landscape of our industry.

### Nurturing Strong Customer Relationships for Sustained Business Success

Our commitment to maintaining robust relationships with our customers has been a cornerstone of our business strategy. Through dedicated efforts, we have successfully cultivated a substantial and loyal client base. This strategic approach not only fosters repeat business but also fortifies our long-term working relationships with our customers, forming the bedrock of an effective customer retention strategy.

The enduring trust and satisfaction of our existing clients serve as a testament to our dedication to excellence. Leveraging



these established relationships provides us with a distinctive competitive advantage when seeking to attract new clients and expanding our business footprint. We firmly believe that the foundation of trust we have built with our clients is instrumental in not only retaining their business but also in fostering new connections and opportunities for growth in our dynamic industry.

### **Quality Assurance Excellence**

Our unwavering commitment to quality is embedded in the pillars of Research, Development, and Quality Control, which have been instrumental in our sustained growth over the years. We accord equal importance to both areas, recognizing that Research and Development pave the way for innovative techniques crucial to business growth and profitability. Simultaneously, Quality Control ensures that we consistently meet and exceed customer quality standards, ensuring a seamless supply of products to end-user industries.

Understanding the paramount importance of adhering to technical and safety standards in project execution, our company actively collaborates with major corporations to align with their stringent quality and safety benchmarks. Our commitment to quality is further fortified by an in-house inspection process, where a dedicated official meticulously assesses the final material at our unit before dispatching products to our valued customers. The consistent dedication of our team has been duly recognized, as our company has been awarded a certificate of registration from QACS International Private Limited. This certification attests that our quality management system adheres to the stringent requirements of ISO 9001:2015. For additional information, please refer to the section titled "**Government and Other Approvals.**" commencing on page 167 of this Prospectus.

### **Seasoned Leadership at the Helm**

Our management team is not only well-qualified but also brings a wealth of experience to the execution of large-scale powder coating and surface finishing projects, particularly in the realm of aluminium extrusion. The instrumental role played by our Promoter and key managerial personnel has been pivotal in propelling the growth of our business. Their active involvement extends to providing valuable insights into corporate strategy and planning.

This venture successfully executed large-scale projects, laying the foundation for our subsequent endeavours. Our current management team, boasting significant industry experience, has played a crucial role in securing our market position.

The adherence to the visionary guidance of our Promoters and senior management team, each with over a decade of experience in our industry, has been a driving force behind our success. The motivation shared by our management and key personnel, combined with our robust internal systems and processes, synergistically work together to consistently deliver high levels of client satisfaction.

For detailed insights into the qualifications and experience of our senior management team, please refer to the section titled "**Our Management,**" commencing on page 124 of this Prospectus. We firmly believe that the strength and entrepreneurial vision of our Promoter and management team have been instrumental in propelling our growth and successfully implementing our strategic initiatives.

## **OUR BUSINESS STRATEGY**

Our business objective is to grow our revenues and profit. Our business strategy focuses on the following elements:

### **Sustained Emphasis on Resource Optimization**

Our unwavering commitment to the optimal utilization of resources has been a key driver of our continuous growth. As the sole Approved Applicator of Akzonobel, Jotun, and Asian Paints in eastern India for Architectural Coating, we have solidified our position as an industry leader. Throughout our journey, we have diligently built a team of skilled professionals capable of managing complex and large-scale machinery.

This adept team is at the forefront of our efforts to maximize resource efficiency. Their collective expertise and dedication empower us to continually explore innovative ways to make the best possible use of our resources. Through strategic utilization, we aim to not only enhance operational efficiency but also deliver quality work to our customers at competitive and efficient pricing.

In our relentless pursuit of excellence, resource optimization remains a central tenet of our operational philosophy. It enables us to meet the evolving needs of our clients while ensuring sustainable growth and competitiveness in the dynamic landscape of our industry.

### Attracting and Nurturing Talent: A Priority

Recognizing the pivotal role that employees play in the success of our organization, we are unwavering in our commitment to their well-being. Our continuous efforts focus on enhancing health, safety, and environmental standards for the dedicated individuals who contribute tirelessly to our company. A key objective is to further diminish the employee attrition rate, prioritizing the retention of our skilled workforce for our forthcoming expansion endeavours. This commitment is underscored by our dedication to fostering a work environment that is not only better but also safer and healthier.

As part of our employee development strategy, we conduct regular training sessions on a weekly basis. These sessions are meticulously designed to extract the best from our talented workforce and boost operational efficiency. Under the astute supervision of Mr. Jagjit Singh Dhillon, these training initiatives are geared towards equipping our employees with the skills and knowledge necessary for their professional growth and the overall success of our organization.

By nurturing a culture that values and invests in its employees, we strive to create an environment where talent is not only attracted but also retained, ensuring the sustained growth and prosperity of our company.

### Expanding Horizons and Broadening Customer Reach

While our primary service offerings are concentrated in eastern India, our vision extends beyond regional boundaries, aiming for gradual expansion both domestically and internationally.

With a strategic focus on diversification, we are poised to extend our presence to other Indian states, fostering the sustained growth of our business. Our expansion strategy is methodically selective, emphasizing a meticulous approach to new locations where we can seamlessly deliver quality services without encountering significant delays or interruptions due to local and ground considerations.

The intention behind this geographical diversification is twofold: to broaden our customer base nationally and internationally and to mitigate the risks associated with operating exclusively in specific areas. By venturing into new geographies, we aim to not only tap into new markets but also to safeguard against fluctuations resulting from business concentration in limited geographical areas.

Through this expansion initiative, we are not just looking to grow our business footprint but also to fortify our resilience against potential challenges, ensuring the sustained success and stability of our operations.

### Elevating Operational Controls for Timely Service Delivery

Our unwavering commitment to operational excellence is manifested in our continuous efforts to enhance controls and drive cost efficiencies while maintaining optimal service quality. Timely completion of services is not just a benchmark for our reputation but also a crucial factor for the ongoing expansion of our business.

To fortify our operational controls, we are dedicated to implementing measures that contribute to incremental improvements in efficiency. This includes strategic initiatives such as deploying additional professionals to bolster our service provision capabilities. By investing in a skilled workforce, we aim to further elevate the calibre of services we offer to our clients.

Furthermore, our commitment to excellence extends to the adoption of industry best practices and continuous training for our employees. Through ongoing professional development, we ensure that our team remains abreast of the latest trends and techniques, allowing us to consistently provide top-notch services to our valued customers.

In essence, our focus on enhancing operational controls and embracing best practices is pivotal in not only upholding our current reputation but also in propelling the sustained growth and success of our business.

## SWOT ANALYSIS OF OUR COMPANY

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>● <b>Specialized Services:</b> The company specializes in the pre-treatment and powder coating of aluminium extrusions, showcasing a high level of expertise in its niche.</li> <li>● <b>Strategic Location:</b> Situated strategically in Kolkata, with a strong presence in eastern India, the company has positioned itself as a key</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Limited Geographic Presence:</b> While the company has a strong presence in eastern India, there might be opportunities for expansion in other regions that are yet to be explored.</li> <li>● <b>Dependence on Specific Suppliers:</b> Reliance on specific suppliers for raw materials may pose a vulnerability in the supply chain if any disruptions occur.</li> </ul>

<p>player in the region.</p> <ul style="list-style-type: none"> <li> <b>Certifications:</b>            Being an ISO 9001:2015 certified organization reflects the company's commitment to quality management systems and adherence to international standards.         </li> <li> <b>Approved Applicator:</b>            The status of being the first approved applicator of Akozonobel, Jotun, and Asian Paints in architectural coating in eastern India establishes a strong competitive advantage.         </li> <li> <b>Diverse Coating Lines:</b>            The company has invested in various coating lines, including automatic powder coating, wood finish, and PVDF coating, showcasing versatility in its services.         </li> </ul>	
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li> <b>Market Expansion:</b>            Exploring untapped markets in other Indian states and international regions can provide avenues for business growth.         </li> <li> <b>Diversification of Services:</b>            The company can explore diversifying its services further, potentially expanding into related segments within the coating industry.         </li> <li> <b>Growing Industry:</b>            The increasing demand for powder coating and architectural coating presents opportunities for capturing a larger market share.         </li> </ul>	<ul style="list-style-type: none"> <li> <b>Intense Competition:</b>            Competing with both organized and unorganized players in the powder coating sector may pose challenges, necessitating continuous innovation and differentiation.         </li> <li> <b>Raw Material Price Fluctuations:</b>            The fluctuation in prices of raw materials, such as powder and chemicals, can impact the company's cost structure and profitability.         </li> <li> <b>Economic Downturn:</b>            Economic uncertainties and downturns can impact the construction and manufacturing sectors, affecting the demand for powder coating services.         </li> <li> <b>Environmental Regulations:</b>            Stringent environmental regulations may necessitate investments in eco-friendly practices, impacting operational costs.         </li> </ul>

#### SALES AND MARKETING STRATEGY:

Our clientele includes esteemed companies within the industry, a testament to our success driven by enduring relationships with customers who have been loyal to our company for an extended period. The backbone of this success is our team, whose extensive experience and strong client rapport, forged through the timely and quality delivery of projects, play a pivotal role in establishing and expanding our company's footprint.

In our commitment to customer retention, our team engages in regular interactions, seeking to understand the evolving needs of our clients. This proactive approach enables us to not only meet but exceed their expectations consistently. Our strategic expansion into domestic markets, characterized by significant sales potential, minimal infrastructure costs, and the availability of professional expertise, has further strengthened our market presence.

Facilitating this success is a seasoned and skilled management team that excels in motivating subordinates and staff to strive towards individual achievements and organizational goals. Their adept management skills and seamless coordination with the team act as catalysts, consistently inspiring the entire workforce towards the development and prosperity of the organization.

#### STATEWISE BIFURCATION OF SALES

Name of State	Year 2021-2022		Year 2022-2023		Year 2023-2024 (Up to December)	
	Amount (in lakhs)	%	Amount (in lakhs)	%	Amount (in lakhs)	%
West Bengal	139.41	100	348.97	97.22	394.96	99.49

Gujarat	-	-	5.01	1.40	0.03	0.01
Andhra Pradesh	-	-	3.77	1.05	-	-
Odisha	-	-	1.19	0.33	-	-
Assam	-	-	-	-	0.04	0.01
Jharkhand	-	-	-	-	1.97	0.50
<b>Total</b>	<b>139.41</b>	<b>100</b>	<b>358.94</b>	<b>100</b>	<b>397.00</b>	<b>100</b>

## PRODUCT WISE REVENUE

Name of Product	Year 2021-2022		Year 2022-2023		Year 2023-2024 (Up to December)	
	Amount (in lakhs)	%	Amount (in lakhs)	%	Amount (in lakhs)	%
Wood Finish Coating	13.73	9.85	32.26	9.85	20.22	5.09
PVDF Coating	-	-	-	-	113.20	28.54
Powder Coating	125.68	90.15	326.69	90.15	263.48	66.37
<b>Total</b>	<b>139.41</b>	<b>100</b>	<b>358.94</b>	<b>100</b>	<b>397.00</b>	<b>100.00</b>

## INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER

### Registered Office and Infrastructure:

Our registered office is situated at Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata Vivekanandapur Thakurpukur Mahestola South 24 Parganas, WB 700141 IN. Equipped with cutting-edge technology, our office is furnished with computer systems, relevant software, and advanced communication equipment. We ensure uninterrupted power supply, robust internet connectivity, and implement stringent security measures to facilitate the seamless functioning of our business operations.

### Raw Materials Procurement:

The essential components and raw materials crucial for our operations include powder, chemicals, protection tapes, etc., tailored to the specifications provided by our customers. We procure raw materials from domestic market like Kolkata, Bangalore, Pune etc. Procuring these materials from the domestic market is a meticulous process overseen by our dedicated procurement team. Through a comprehensive evaluation, we solicit quotations from various suppliers, engaging in negotiations to select the most suitable ones. Our commitment to quality extends to routine checks upon material receipt at our facility, ensuring that the procured materials meet our stringent quality standards.

### Power Supply:

At our registered office, we have established arrangements for a consistent and reliable power supply. This power is sourced from CESC Limited, reinforcing our commitment to operational efficiency and uninterrupted workflow.

### Water Resources:

Adequate water sources are available to meet human consumption requirements at our office. Our existing premises are well-equipped to fulfil these needs, ensuring that our team operates in a comfortable and conducive environment.

### Treatment of Pollution:

In terms of environmental responsibility, the company have applied for valid consent under Section 25 and 26 of the Water (Prevention & Control of Pollution) Act, 1974, and under section 21 the Air (Prevention & Control of Pollution) Act, 1981. This authorization allows the company to operate in accordance with stringent pollution control regulations, showcasing its commitment to environmentally sustainable practices.

## CAPACITY AND CAPACITY UTILIZATION

### Capacity Utilization

<b>Capacity Utilization Calculation from 1st November 2021 – 31st March 2022</b>		
<b>Product Family</b>	<b>Automatic Coating Plant</b>	<b>Manual Coating Plant</b>
Installed Capacity (MT)	630	270
Production (MT)	300	103
<b>Capacity Utilization</b>	<b>47.62%</b>	<b>38.15%</b>

<b>Capacity Utilization Calculation from 1st April 2022 – 31st March 2023</b>		
<b>Product Family</b>	<b>Automatic Coating Plant</b>	<b>Manual Coating Plant</b>
Installed Capacity (MT)	1512	648
Production (MT)	908	322
<b>Capacity Utilization</b>	<b>60.05%</b>	<b>49.69%</b>

<b>Capacity Utilization Calculation from 1st April 2023 – 30<sup>th</sup> September 2023</b>		
<b>Product Family</b>	<b>Automatic Coating Plant</b>	<b>Manual Coating Plant</b>
Installed Capacity (MT)	840	360
Production (MT)	625	220
<b>Capacity Utilization</b>	<b>74.40%</b>	<b>61.11%</b>

<b>Capacity Utilization Calculation from 01<sup>st</sup> October 2023 – 31<sup>st</sup> December 2023</b>		
<b>Product Family</b>	<b>Automatic Coating Plant</b>	<b>Manual Coating Plant</b>
Installed Capacity (MT)	750	180
Production (MT)	600	148
<b>Capacity Utilization</b>	<b>80.00%</b>	<b>82.00%</b>

## **HUMAN RESOURCE**

Our firm conviction lies in the acknowledgment that our employees are pivotal contributors to our business success. The sustenance of our growth trajectory is intricately linked to our ability to attract, train, motivate, and retain a high-calibre workforce. We are unwavering in our commitment to not just acquiring talent but nurturing an environment that fosters continuous development and sustained motivation.

Our emphasis is placed on attracting and retaining the finest talent available in the market. We actively seek individuals with specific skill sets, interests, and backgrounds that align seamlessly with the unique requirements of our business.

As of November 30, 2023, our company boasts a dedicated team of 15 employees on the payroll, distributed across various roles as follows:

<b>Sr. No.</b>	<b>Designation</b>	<b>Number of persons employed</b>
1.	Employees	4
2.	Skilled Labours	8
3.	Unskilled Labours	3
<b>Total</b>		<b>15</b>

This composition reflects a deliberate balance between experienced professionals and dynamic youth, offering us a dual advantage of stability and growth. The synergy of our streamlined work processes, skilled resources, and a robust management team has been instrumental in the successful execution of our growth plans. It is our firm belief that the collaboration between seasoned expertise and youthful energy will continue to drive our achievements in the future.

## **COMPETITION**

Competition within the Powder Coating sector is contingent upon various factors, including geographic location, project nature, and size. In India, this sector is predominantly unorganized, fostering a competitive environment where players vie for building strong customer relationships and delivering quality services. A noteworthy aspect is that more than 85% of our customers are recurrent, a testament to our consistent service quality, timely deliveries, and competitive pricing.

We firmly believe that our effective competition hinges on the assurance of consistent service quality, timely deliveries, and competitive pricing, which collectively bolster our brand reputation over time. The strategic combination of cost-effective and integrated offerings, a steadfast commitment to customer satisfaction, and unwavering reliability, coupled with our quality-conscious approach, positions us advantageously in the market.

Our confidence in maintaining a competitive edge is rooted in our technical capabilities, extensive industry experience, and a robust quality assurance framework. We are poised to navigate competition, both from organized and unorganized players, by leveraging our unique strengths in the realm of service excellence and customer-centric practices.

## COLLABORATIONS

There are no Collaborations or Joint Ventures as on date of filing this Prospectus.

## IMPORTS-EXPORTS AND IMPORT-EXPORT OBLIGATIONS

There are no Import- Export Obligation as on date of filing this Prospectus.

## OUR PROPERTIES

Properties taken on lease by our company.

Sr. No	Location	Name of Lessor/Licensor	Document and Date	Rent (In Rs)	Period of Agreement		Usage	Area
					From	To		
1.	Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India, 700141 (Unit I)	Mr. Jagjit Singh Dhillon	Leave and License Agreement dated April 01, 2023	40,000	April 01, 2023	March 31, 2033	Registered Office and Manufacturing Unit	4,635 Sq. ft
2	Ganipur Maheshtala, 24 Parganas, Kolkata 743352, West Bengal, India (Unit II)	Mr. Jagjit Singh Dhillon	Leave and License Agreement dated October 01, 2023	40,000	October 01, 2023	March 31, 2033	Plant	3,900 sq. ft
3.	Ganipur Maheshtala, 24 Parganas, B.R (W) Kolkata – 700141 (Unit III)	Mr. Jagjit Singh Dhillon	Leave and License Agreement dated October 01, 2023	40,000	October 01, 2023	March 31, 2033	Plant	27,360 Sq. Ft

## INSURANCE POLICIES

Our Company maintains insurance against various risks inherent in our business activities. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. The following are the details of the insurance policies obtained by our Company:


Sr. No.	Name of the Insurance Policy Company	Type of Policy	Policy No.	Validity Period	Sum Insured
1.	HDFC Ergo General Insurance Company Limited	HDFC General Ergo Business Secure – Sookshma Udyam Policy	2949205686171500000	04.09.2024	8,29,50,000

## FINANCIAL INDEBTEDNESS OF THE COMPANY

As on the date of this Prospectus, our Company has availed unsecured loans. For further details, please refer to the section “*Statement of Financial Indebtness*” beginning on page 145 of this Prospectus.



**INTELLECTUAL PROPERTY**

Sr. No.	Particulars of the mark	Application No.	Class	Registration/Application date	Status/ Validity
1		O-0003498359	41	December 28, 2023	Pending
2.	The wordmark “Associated Coaters”	O-0003498359	41	December 28, 2023	Pending

**REVENUE FROM OUR TOP 10 CUSTOMERS**
*(₹ in lakhs)*

Sr. No.	Particulars	Period ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Top 5 customers	313.19	288.50	136.72	0
2.	Top 10 customers	345.76	354.57	158.85	0

Particulars	Year 2021-2022		Year 2022-2023		Year 2023-2024 (Upto December)	
	Amount (in lakhs)	%	Amount (in lakhs)	%	Amount (in lakhs)	%
Top 1	41.44	29.73	59.50	16.58	157.16	39.59
Top 2	26.32	18.88	91.43	25.47	72.19	18.18
Top 3	26.77	19.20	60.42	16.83	61.28	15.44
Top 4	9.86	-	27.82	7.75	12.60	3.17
Top 5	-	-	-	-	9.96	2.51
Sales to top 5 Customers	188.70	<b>85.14</b>	<b>265.58</b>	<b>73.99</b>	<b>313.19</b>	<b>78.89</b>

**PURCHASE FROM TOP 5 SUPPLIERS**

Particulars	Year 2021-2022		Year 2022-2023		Year 2023-2024 (Upto December)	
	Amount (in lakhs)	%	Amount (in lakhs)	%	Amount (in lakhs)	%
Top 1	41.44	29.73	59.50	16.58	157.16	39.59
Top 2	26.32	18.88	91.43	25.47	72.19	18.18
Top 3	26.77	19.20	60.42	16.83	61.28	15.44
Top 4	9.86	-	27.82	7.75	12.60	3.17
Top 5	-	-	-	-	9.96	2.51
Sales to top 5 Customers	188.70	<b>85.14</b>	<b>265.58</b>	<b>73.99</b>	<b>313.19</b>	<b>78.89</b>

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing and selling of water base paints like wall plasters, textures, wall care, distempers, cement primers and emulsions (interior and exterior), wood primers, red oxides etc., for residential and commercial buildings. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPLICABLE LAWS AND REGULATIONS**

#### **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

##### **The Public Liability Insurance Act, 1991 (“PLI Act”) and the Public Liability Insurance Rules, 1991**

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

##### **The Micro, Small and Medium Enterprises Development Act, 2006 (the “Act”)**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

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

##### **Shops and establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the state of West Bengal establishments are required to be registered. Such laws 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.

##### **Stamp Act in various states**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments / documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of West Bengal is empowered to prescribe or alter the stamp duty as per their need.

## **Professions, Trade, Callings and Employments Act in various states**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The **State Government of West Bengal** is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **ENVIRONMENT RELATED LAWS**

### **Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

### **The Water (Prevention and Control of pollution) Act, 1974 (the “Water Act”)**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

### **The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

### **The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### **The Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)**

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

## **The Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 (“Waste Management and Transboundary Rules, 2016”)**

Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and have been amended later in the years 2000, 2003 and with final notification of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 in supersession of former notification. The Rules lay down corresponding duties of various authorities such as MoEF, CPCB, State / UT Govts., SPCBs / PCCs, DGFT, Port Authority and Custom Authority while State Pollution Control Boards / Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handling and their disposal.

### **GENERAL CORPORATE COMPLIANCE**

#### **Companies Act, 2013 (the “Companies Act”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

#### **The Registration Act, 1908 (the “Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **EMPLOYMENT AND LABOUR LAWS**

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

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory / establishment, of the abstracts of this Act and Rules made there under.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965 (the “PoB Act”)**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him / her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

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

The Government of India enacted ‘The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The laws that it shall subsume are as follows –

- **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months twenty or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

- **The Factories Act, 1948**

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration / licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

- **Industrial Relations Code, 2020**

The Government of India enacted ‘The Industrial Relations Code, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows–

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether

temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employees, or for imposing restrictive condition on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial employment. The highlights of the Standing Orders such as classification of workmen, manner of intimation to workers about work and wage related details. Attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

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

The Government of India enacted ‘The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The laws that the code shall subsume, are currently as follows –

- **Employee’s Compensation Act, 1923**

The Employees’ Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employees’ Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees’ Act also lays down the duties / obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death / serious bodily injury.

- **Employee’s State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and ‘employment injury’ and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

- **Employee’s Provident Fund and Miscellaneous Provisions Act, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.



- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

**Employees' Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

**The Employees' Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

**The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")**

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

**Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")**

The "CLPR Act seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

**TAX RELATED LEGISLATIONS****Income Tax Act, 1961 (the "IT Act")**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by October 30 of each assessment year.

## **Central Goods and Services Tax Act, 2017 (the "GST Act")**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and / or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

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

- **Indian Copyright Act, 1957**
- **The Trade Marks Act, 1999**
- **The Designs Act, 2000**
- **The Patent Act, 1970**

The Acts applicable to our Company will be:

### **Trade Marks Act, 1999 (the "TM Act")**

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002 (the "Act")**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated on December 22, 2017 as ‘*Associated Coaters Private Limited*’, a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated December 22, 2017 issued by the Registrar of Companies, Kolkata. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an extraordinary general meeting held on October 24, 2023 and consequently the name of our Company was changed to ‘*Associated Coaters Limited*’ and a fresh certificate of incorporation dated December 19, 2023 was issued by the Registrar of Companies, Kolkata. The corporate identification number of our Company is U28129WB2017PLC224001.

Our Company is engaged in the business of providing services by way of pre-treatment and powder coating of aluminium extrusions in Architect and Real Estate Industry. The process begins with a comprehensive cleaning, where the targeted surface of aluminium extrusions is thoroughly cleansed of any dirt, grease, or contaminants that might impede the subsequent coating process. Following this, a strategic chemical solution is applied to enhance the adhesion of the powder coating. This involves the application of an acidic solution for surface etching or the use of a specialized pretreatment agent to optimize surface wettability.

The application of powder coating itself is a precision art. Executed with an electrostatic spray gun, this method involves imparting a negative charge to the powder particles. These charged particles are then irresistibly drawn to the positively charged surface, creating a magnetic-like adhesion. The subsequent step involves the melting and fusion of these particles, resulting in a flawlessly even coating.

Our Company is promoted by Mr. Jagjit Singh Dhillon and Mrs. Navneet Kaur.

### **CHANGE IN REGISTERED OFFICE OF OUR COMPANY**

The registered office of the Company was situated at 197, Diamond Harbour Road, Behala, Kolkata -700034, West Bengal, India since incorporation. The registered office of our Company was changed to Ashuti Khanberia, Maheshtala, LP 20/83/46, Vivekanandapur, South 24 Parganas, Thakurpukur, Mahestola, Kolkata – 700141, West Bengal, India via shareholders resolution dated July 28, 2023 for operational efficiency.

### **MAIN OBJECTS OF OUR COMPANY**

The main objects of our Company are as follows:

To carry on in India or elsewhere the business to manufacture, produce, process, excavate, quarry, melt, mould, roll, commercialize, cold, clean, cure, treat, mix, manipulate, prepare and to act as broker, importer, exporter, buyer, seller, stockists, distributor, contractor, supplier, metallurgists, engineer, collaborator, job worker, or otherwise to deal in aluminium, aluminium alloys, aluminium metal, unwrought aluminium, aluminium waste, aluminium scrap, aluminium foils, aluminium powders, aluminium flakes, aluminium strips, aluminium sheets, aluminium wires whether coated, uncoated, coated, perforated, printed, embossed, insulated and all types of sections, varieties, strengths, specifications, descriptions, dimensions, and shapes of aluminium products, including bars, angles, tubes, pipes and blanks thereof, hollow bars, containers, stranded wires, cables, cordage, ropes, plaited bands, insulated electric wires & cables, electrodes, gauge, clothes, grills, netting, fencing, reinforcing fabrics, chains, nails, tacks, staples, hooks, nails, spiked cramps, shields, spikes and drawing pins, rivets, buckles, bolts, nuts, screws, cotters, cotter pins, washers, spring washers, springs, sanitary wares, hardware, utensils, electronic goods and other allied items, their parts, fittings, accessories & components, and to do all incidental acts and things necessary for the attainment of the above objects and to carry on all processes like metal printing, metal anodising, aluminium powder coating, electro-plating, chemical treatment and lacquering in respects of products manufactured or dealt with by the Company.

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company since incorporation:

Date of shareholder’s resolution	Nature of amendments
July 28, 2023	<i>Increase in Authorised Share Capital:</i>

<b>Date of shareholder's resolution</b>	<b>Nature of amendments</b>
	<i>Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 10,00,000 divided into 100000 Equity Shares of ₹ 10 each to ₹ 50,00,000 divided into 500000 Equity Shares of ₹ 10 each</i>
October 24, 2023	<b><i>Alteration in Name Clause:</i></b>  <i>Clause I of the MoA was amended to change the name of the Company from 'Associated Coaters Private Limited' to 'Associated Coaters Limited', to reflect the conversion of our Company from a private limited company to a public limited company.</i>
December 18, 2023	<b><i>Increase in Authorised Share Capital:</i></b>  <i>Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 50,00,000 divided into 500000 Equity Shares of ₹ 10 each to ₹ 2,00,00,000 divided into 2000000 Equity Shares of ₹ 10 each</i>
December 26, 2023	<b><i>Alteration in the Object clause</i></b>  <i>Deletion of sub clause 3(a)(1) of Clause III of the Memorandum of Association of the Company stated as below:</i>  <i>"To take over/acquire the existing proprietorship firm ASSOCIATED COATERS, having its office at 197, DIAMOND HARBOUR ROAD, BEHALA, KOLKATA - 700034, as a going concern with its assets, properties, liabilities, and obligations with or without modification as may be decided upon subject to payment of Stamp Duty as may be applicable."</i>

#### **CORPORATE PROFILE OF OUR COMPANY**

For information on our Company's business profile, activities, services, managerial competence, and customers, see chapters titled, "Our Business", "Financial Statements as Restated", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 99, 144 and 147 respectively of this Prospectus.

#### **MAJOR EVENTS AND MILESTONES**

The table below sets forth some of the key events, milestones in our history since its incorporation.

<b>Year</b>	<b>Events</b>
2017	Incorporation of the Company
2021	Started its Operations
2023	Our Company further expanded its business operations by starting new Coating Line of PVDF
2023	Our Company was converted from Private Limited company to Public Limited Company
2023	Company has been compliant with the requirement of: <b>ISO 9001:2015.</b>

#### **TIME AND COST OVERRUN**

Our Company has not experienced any significant time and cost overrun in setting up projects.

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

As of date of this Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

#### **DETAILS REGARDING MATERIAL ACQUISITION OR DISINVESTMENTS OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATION**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business since incorporation.

## **REVALUATION OF ASSETS**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

## **HOLDING COMPANY**

As on the date of this Prospectus, our Company does not have a holding company.

## **SUBSIDIARIES OF OUR COMPANY**

As on the date of this Prospectus, our Company does not have any subsidiaries.

## **ASSOCIATE OR JOINT VENTURES OF OUR COMPANY**

As on the date of this Prospectus, our Company does not have any joint ventures or associate companies.

## **STRATEGIC AND FINANCIAL PARTNERS**

As on date of this Prospectus our Company does not have any strategic and financial partners.

## **SHAREHOLDERS AND OTHER AGREEMENTS**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

## **GUARANTEES GIVEN BY PROMOTERS OFFERING ITS SHARES IN THE OFFER FOR SALE**

This is a fresh issue of Equity Shares and our Promoters are not offering their shares in this Issue.

## **MATERIAL AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled 'Our Business' beginning on page 99 of this Prospectus.

## OUR MANAGEMENT

### OUR BOARD OF DIRECTORS

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. As on date of this Prospectus, we have Five (05) Directors on our Board, which includes One (01) Managing Director, One (01) Whole-time Director and Chairman, One (01) Non-Executive Director and two (02) Independent Directors out of which one is women Independent Director.

Set forth below, are details regarding our Board as on the date of this Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Mr. Jagjit Singh Dhillon</b></p> <p>DIN: 07980441</p> <p>Date of Birth: July 27, 1980</p> <p>Qualification: Bachelor of Commerce</p> <p>Designation: Managing Director</p> <p>Address: 197, Diamond Harbour Road Behala, Kolkata 700034, West Bengal, India</p> <p>Occupation: Business</p> <p>Term: For a period of five (5) years with effect from 9<sup>th</sup> December 2023 to 8<sup>th</sup> December 2028</p> <p>Period of Directorship: Director since December 22, 2017</p> <p>Nationality: Indian</p>	43	<p><b>Companies</b></p> <p>Mindhighway Technologies Private Limited</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p><b>Mr. Harbhajan Singhthethi</b></p> <p>DIN: 10416459</p> <p>Date of Birth: May 21, 1967</p> <p>Qualification: IX<sup>th</sup> Standard</p> <p>Designation: Whole Time Director and Chairman</p> <p>Address: 199, Diamond Harbour Mandal Para Kolkata 700034, West Bengal, India</p> <p>Occupation: Business</p> <p>Term: For a period of five (5) years with effect from 9<sup>th</sup> December 2023 to 8<sup>th</sup> December 2028</p> <p>Period of Directorship: Director since 9<sup>th</sup> December 2023</p> <p>Nationality: Indian</p>	56	<p><b>Companies</b></p> <p>Nil</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p><b>Mrs. Navneet Kaur</b></p> <p>DIN: 07980468</p>	46	<p><b>Companies</b></p> <p>Mindhighway Technologies Private Limited</p>



Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Date of Birth: January 01, 1977</p> <p>Qualification: Bachelor of Science</p> <p>Designation: Non-Executive Director</p> <p>Address: 197, Diamond Harbour Road Behala, Kolkata 700034, West Bengal, India</p> <p>Occupation: Business</p> <p>Term: Liable to retire by rotation</p> <p>Period of Directorship: Director since December 22, 2017</p> <p>Nationality: Indian</p>		<p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p><b>Ms. Chetna Gupta</b></p> <p>DIN: 02212440</p> <p>Date of Birth: August 14, 1987</p> <p>Qualification: Fellow Member of ICSI, MBA in Human Resources.</p> <p>Designation: Additional Independent Director</p> <p>Address: 25 Chinar Park, Destiny Tower, Flat No 5 B, Kolkata 700157, West Bengal, India</p> <p>Occupation: Professional</p> <p>Term: Till the Annual General Meeting to be held on or before 30<sup>th</sup> September 2024.</p> <p>Period of Directorship: Additional Director since 7<sup>th</sup> December 2023</p> <p>Nationality: Indian</p>	36	<p><b>Companies</b></p> <p>Julien Agro Infratech Limited</p> <p><b>Limited Liability Partnerships</b></p> <p>Wow Organic LLP</p>
<p><b>Mr. Jay Kumar Shaw</b></p> <p>DIN: 09627535</p> <p>Date of Birth: December 27, 1981</p> <p>Qualification: Bachelors of Commerce, Chartered Financial Analyst.</p> <p>Designation: Additional Independent Director</p> <p>Address: 7/1 GR, Marhatta Ditch Lane, 7, Shyampukur, Baghbazar, Kolkata 700003, West Bengal, India</p> <p>Occupation: Professional</p> <p>Term: : Till the Annual General Meeting to be held on or before 30th September 2024.</p>	42	<p><b>Companies</b></p> <p>Jaikvik Business India Private Limited</p> <p>Jaikvik Technology India Private Limited</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Period of Directorship: Additional Director since 7th December 2023  Nationality: Indian		

\* The Company appointed the Independent Directors after the AGM of the company dated September 30, 2023. An Independent Director can be appointed as Additional Independent Directors in the Board Meeting of the Company and who can serve the board till ensuing Annual General Meeting as per Companies Act, 2013. The Company will regularise their appointment in ensuing Annual General Meeting.

### Brief Profile of Our Directors

**Mr. Jagjit Singh Dhillon** aged 43 years. He has a degree in Bachelor of Commerce from The Bhawanipur Education Society College, Kolkata. He is the Founder and one of the First Directors of the Company, later he was designated as the Managing Director of the Company with effect from 9<sup>th</sup> December 2023 till 8<sup>th</sup> December 2028 for a period 5 years. He has experience of more than 16 years in powder Coating Industry. He has proven ability to quickly analyse key business drivers and develop strategies. He is an energetic leader known for his ability to create successful outcomes in complex situations.

**Mr. Harbhajan Singhthethi** aged 57 years. He is actively involved in providing various training sessions to workers to increase efficiency. He possesses excellent time management skills, top customer relations abilities and strong communication skills. He has assisted in establishing projects, monitoring the progress of the projects and completing the projects within deadlines. He was appointed as Whole Time Director and Chairman of the Company w.e.f. December 9, 2023.

**Mrs. Navneet Kaur** aged 47 years. She has a Degree in Bachelor of Science from Punjab University. She also holds a degree in Master of Education from Punjab University and Master of Arts in Punjabi from Punjab University. She was appointed as Non-Executive Director of the Company with effect from December 22, 2017, she is associated with the Company since its Incorporation.

**Ms. Chetna Gupta**, aged 36 years. She has professional experience of more than Ten years. She holds a bachelor's degree in business administration from University of Rajasthan and is a fellow member of Institute of Company Secretaries of India. She also holds a degree in post graduate Diploma in Business Administration from Symbiosis Centre for Distance Learning in Human Resource. She is also bachelor's in law (LLB) from University of Rajasthan. She also cleared her Social Auditor Examination in May 2023. She was appointed as the Additional Independent Director of the Company w.e.f. December 7, 2023.

**Mr. Jay Kumar Shaw** aged 42 years He is a qualified professional with a B. Com (H) degree, CFA (ICFAI University) certification, and FRM (U.S) accreditation. His role involves providing strategic guidance and operational excellence to the companies he advises, solidifying his position as a valuable asset in the field. He was appointed as the Additional Independent Director of the Company w.e.f. December 7, 2023.

### CONFIRMATIONS

- Except as stated below, None of the Directors and Key Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Sr. No	Name of the Director/KMP	Name of the Director	Relationship
1.	Mr. Jagjit Singh Dhillon	Mrs. Navneet Kaur	Spouse
2.	Mrs. Navneet Kaur	Mr. Jagjit Singh Dhillon	Spouse

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors, Key Managerial Personnel or Senior Management were selected as a Director or Member of Senior Management.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- As on the date of this Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.

- As on the date of this Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of this Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- As on the date of this Prospectus, none of our director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- As on the date of this Prospectus, none of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoters, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

### REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration payable by our Company to our Directors for a financial year:

(₹ in lakhs)		
Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. Jagjit Singh Dhillon	9.60*
2.	Mr. Harbhajan Singhthethi	4.00*
	<b>Total</b>	<b>13.60</b>

\*excluding the perquisites and allowances.

Remuneration paid for FY 2022-2023; the directors have been paid gross remuneration as follows:

(₹ in lakhs)		
Sr. No.	Name of Director	Remuneration paid
1.	Mr. Jagjit Singh Dhillon	10.00
2.	Mr. Harbhajan Singhthethi	N.A.*
	<b>Total</b>	<b>10.00</b>

\*Mr. Harbhajan Singhthethi was appointed on December 09, 2023.

### Terms And Conditions Of Employment of Our Directors

#### Mr. Jagjit Singh Dhillon

Mr. Jagjit Singh Dhillon, is the Promoter and Managing Director of our Company. He is the Director of the Company since Incorporation of the Company. He was later designated as Managing Director with effect from 9<sup>th</sup> December 2023 for a period of 5 (five) years till 8<sup>th</sup> December 2028. The significant terms of his employment are as below:

<b>Remuneration</b>	₹ 9.60 lakhs per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Managing Director of the Company for a period of 5 (five) years commencing from 9 <sup>th</sup> December 2023 till 8 <sup>th</sup> December 2028.
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

### Mr. Harbhajan Singhthethi

Mr. Harbhajan Singhthethi, is the Whole Time Director of the Company. He was appointed as a Whole Time Director of the Company with effect from 9<sup>th</sup> December 2023 for a period of 5 (five) years till 8<sup>th</sup> December 2028. The significant terms of his employment are as below:

<b>Remuneration</b>	4.00 lakhs per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Whole Time Director of the Company for a period of 5 (five) years commencing from 9 <sup>th</sup> December 2023 till 8 <sup>th</sup> December 2028.
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

### SITTING FEES

The payment of sitting fees to the Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Ms. Chetna Gupta	₹ 10,000/- per Meeting	₹ 10,000/- per Meeting
2.	Mr. Jay Kumar Shaw	₹ 10,000/- per Meeting	₹ 10,000/- per Meeting
3.	Mrs. Navneet Kaur	₹ 10,000/- per Meeting	₹ 10,000/- per Meeting

### BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on December 26, 2023, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 100 crores over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

### SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	Pre-Issue No. of Equity Shares Held	% of pre-Issue capital
1.	Mr. Jagjit Singh Dhillon	6,19,814	66.65%
2.	Mrs. Navneet Kaur	3,10,000	33.33%
3.	Ms. Chetna Gupta	Nil	Nil
4.	Mr. Jay Kumar Shaw	Nil	Nil
5.	Mr. Harbhajan Singhthethi	Nil	Nil

### SHAREHOLDING OF DIRECTORS IN OUR SUBSIDIARIES

As on date of this Prospectus, our Company does not have a subsidiary.

### INTEREST OF OUR DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see "*Terms of appointment and remuneration of our Executive Directors*" above.

Jagjit Singh Dhillon and Navneet Kaur are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent they have promoted our Company. Except as stated above, our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “**Shareholding of Directors in our Company**”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

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 kartas or coparceners 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 this Issue. Except as disclosed in “**Financial Information**” and “**Our Promoters and Promoter Group**” beginning on Page 144 and 138, respectively, of this Prospectus, our Directors are not interested in any other company, entity or firm.

Further, our Directors are interested in the properties of our Company, for details please see “**Our Business- Land and Property**” on page 99.

Except as stated in “**Restated Financial Information - Annexure – 4 Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements**” beginning on Page.144 of this Prospectus, our Directors do not have any other interest in the business of our Company.

### **Interest As To Property**

Except as disclosed in this Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

### **Bonus Or Profit Sharing Plan For Our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

### **Policies Adopted by the Company**

The Company has adopted the following policies:

- Policy for Code of Conduct for Prevention of Insider Trading
- Policy for Code of Practice and Fair Disclosure
- Familiarization Programmes for Independent Directors
- Prevention of Sexual Harassment Policy
- Policy for determination of Material Event/Disclosure
- Policy for Preservation of Documents
- Policy on Archival of Documents
- Code Of Conduct for Directors and Senior Management
- Appointment of Independent Directors and Code of Conduct
- Policy for Materiality or related party transactions
- Risk Management Policy

### **Changes In Our Board During The Last Three Years**

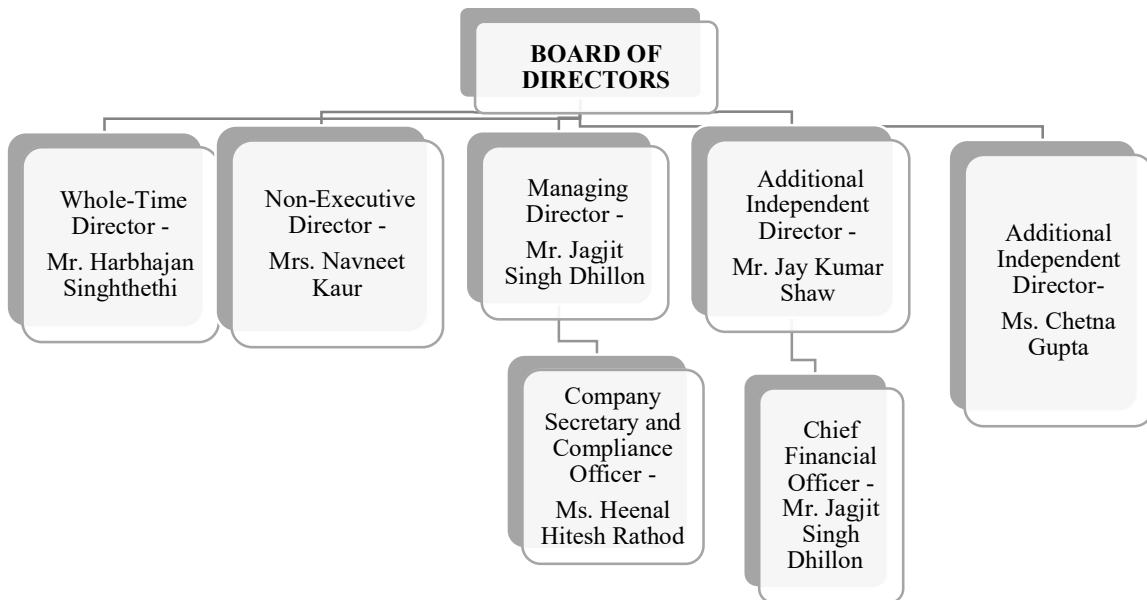
Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Sr. No.</b>	<b>Directors</b>	<b>Date of Event</b>	<b>Event</b>	<b>Reasons</b>
1.	Ms. Dibya Prasad	July 28, 2023	Appointed as Additional Independent Director	Not Applicable
2.	Ms. Dibya Prasad	September 30, 2023	Regularized as Independent Director	Not Applicable
3.	Ms. Dibya Prasad	December 07, 2023	Resigned as Independent Director	Pre-Occupancy
4.	Mr. Vinay Chowdhury	September 30, 2023	Appointed as Independent Director	Not Applicable

5.	Mr. Vinay Chowdhury	December 07, 2023	Resigned as Independent Director	Pre-Occupancy
6.	Ms. Chetna Gupta	December 07, 2023	Appointed as Additional Independent Director	Not Applicable
7.	Mr. Jay Kumar Shaw	December 07, 2023	Appointed as Additional Independent Director	Not Applicable
8.	Mr. Harbhajan Singhthethi	December 09, 2023	Appointed as Whole Time Director	Not Applicable
9.	Mr. Jagjit Singh Dhillon	December 09, 2023	Change in Designation as Managing Director	Not Applicable

## MANAGEMENT ORGANISATION STRUCTURE

Set forth is the management organization structure of our Company:



### Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees Of Our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee;
- Nomination and Remuneration Committee;
- Internal Complaints Committee;



Details of each of these committees are as follows:

**a. Audit Committee**

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on December 13, 2023.

Sr. No.	Name of Member	Designation
1.	Mr. Jay Kumar Shaw, Additional Independent Director	Chairperson
2.	Ms. Chetna Gupta, Additional Independent Director	Member
3.	Mr. Jagjit Singh Dhillon, Managing Director	Member

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

**A. Powers of Audit Committee**

The Audit Committee shall have the following powers:

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

**B. Role of the Audit Committee**

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

#### **b. Stakeholders' Relationship Committee**

Our Company has constituted a Stakeholders' Relationship Committee ("Audit Committee"), as per Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on December 13, 2023.

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>
1.	Mrs. Navneet Kaur, Non-Executive Director	Chairperson
2.	Mr. Jay Kumar Shaw, Additional Independent Director	Member
3.	Mr. Jagjit Singh Dhillon, Managing Director	Member

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights of by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

### c. Nomination and Remuneration Committee

Our Company has constituted a Stakeholders' Relationship Committee ("Audit Committee"), as per Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on December 13, 2023.

Sr. No.	Name of Member	Designation
1.	Ms. Chetna Gupta, Additional Independent Director	Chairperson
2.	Mr. Jay Kumar Shaw, Additional Independent Director	Member
3.	Mrs. Navneet Kaur, Non-Executive Director	Member

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
9. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
10. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

11. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
12. performing 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 the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

**d. Internal Complaints Committee**

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated December 13, 2023. The Board agreed for the appointment of two male candidates as Members of the ICC since the Company has NIL number of female employees. The Internal Complaints consists of the following members:

Sr. No.	Name	Status in the Committee	Gender
1.	Mrs. Navneet Kaur	Presiding Officer	Female
2.	Mr. Biswanath Chatterjee	Member (Employee)	Male
3.	Mr. Anupam Naskar	Member (Employee)	Male
4.	Ms. Aditi Kohli	External Member (Member of NGO)	Female

A complainant can approach any member of the committee with his/her written complaint.

**Tenure**

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

**Scope**

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

**What Constitutes Sexual Harassment?**

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

1. A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
2. Eve teasing, innuendos and taunts, physical confinement against one's will;
3. A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
4. An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
5. Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);

6. Any other behaviour which an individual perceives as having sexual overtones.

***Redressal Mechanism:***

Once the complaint is received by the Committee:

- i. The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- ii. The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- iii. The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- iv. If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- v. The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- vi. The Committee shall call upon all witnesses mentioned by both the parties.
- vii. The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.
- viii. The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
  - a. The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.
  - b. The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner.

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer / District Officer.

***Disciplinary Action:***

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

**Our Key Managerial Personnel and Senior Management**

In addition to our Managing Director and Non-Executive Director, whose details have been provided under paragraph above titled ‘*Brief Profile of our Directors*’, set forth below are the details of our Key Managerial Personnel and Senior

Management as on the date of filing of this Prospectus:

**Mr. Jagjit Singh Dhillon - Managing Director and Chief Financial Officer of the Company:** For details, see “Brief Profile of our Director”, see “Our Management” chapter beginning on page 124 of this Prospectus.

**Mr. Harbhajan Singhthethi - Whole Time Director**

For details, see “Brief Profile of our Director”, see “Our Management” chapter beginning on page 124 of this Prospectus.

**Ms. Heenal Hitesh Rathod - Company Secretary & Compliance Officer:** Ms. Heenal Hitesh Rathod, aged 24 years is the Company Secretary and Compliance Officer of our Company. She is appointed as Company Secretary and Compliance Officer of our Company at the meeting of the Board of Directors with effect from December 7, 2023. She is an Associate Member of Institute of Company Secretaries of India having Membership No. A70585

<b>Term of Office with expiration Date</b>	Appointed as Company Secretary & Compliance Officer with effect from December 7, 2023.
<b>Details of service contract</b>	Not Applicable
<b>Function and areas of experience</b>	Responsible for complying with provisions, regulations, acts applicable to the company.

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

**Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

Except as disclosed under the heading “*Relationship between our Directors*” herein above, none of the key managerial personnel and senior management are related to each other or to our Promoters or to any of our Directors.

**Shareholding of the Key Managerial Personnel and Senior Management**

Except as disclosed in “*Shareholding of our Directors*” none of our KMPs holds any Equity Shares of our Company as on the date of filing of this Prospectus.

**Bonus or Profit-Sharing Plan for our Key Managerial Personnel and Senior Management**



None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit-sharing plan.

#### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

#### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Prospectus, none of our Key Managerial Personnel's and Senior Managements have any interest in our Company other than to the extent of the remuneration, equity shares held by them 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.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

#### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

Set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment/ change</b>	<b>Reason</b>
Heenal Hitesh Rathod	Company Secretary and Compliance Officer	December 7, 2023	Appointment
Jagjit Singh Dhillon	Chief Financial Officer	December 7, 2023	Appointment
Jagjit Singh Dhillon	Managing Director	December 9, 2023	Appointment
Harbhajan Singhthethi	Whole Time Director & Chairman	December 9, 2023	Appointment
Vinay Chowdhary	Independent Director	December 5, 2023	Resignation due to Pre- occupation
Dibya Prasad	Independent Director	December 5, 2023	

The attrition of the key management personnel and Senior Management is as per the industry standards.

#### **Employees' Stock Option Plan**

As on date of this Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

#### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Prospectus.



## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are **Mr. Jagjit Singh Dhillon** and **Mrs. Navneet Kaur**.

As on the date of this Prospectus, our Promoters holds 9,29,814 Equity Shares, constituting 99.98% of the pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters’ shareholding in our Company, see “Capital Structure” on page 58 *History of the Equity Share Capital held by our Promoter and Promoter group.* of this Prospectus.

### Details Of Our Promoters

	<p><b>Mr. Jagjit Singh Dhillon</b>, aged 43 years, has a degree in Bachelor of Commerce from The Bhawanipur Education Society College, Kolkata. He is the Founder and one of the First Directors of the Company, later he was designated as the Managing Director of the Company with effect from 9th December 2023 till 8th December 2028 for a period 5 years. He has experience of more than 16 years in powder Coating Industry. He has proven ability to quickly analyse key business drivers and develop strategies. He is an energetic leader known for his ability to create successful outcomes in complex situations.</p> <p><b>Qualification:</b> Bachelor of Commerce</p> <p><b>Date of Birth:</b> July 27, 1980</p> <p><b>Residential Address:</b> 197, Diamond Harbour Road Behala Kolkata- 700034, West Bengal, India</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AIZPD9546K</p> <p><b>Directorship Held:</b></p> <p>Mindhighway Technologies Private Limited</p>
	<p><b>Mrs. Navneet Kaur</b>, aged 46 years, She has a Degree in Bachelor of Science from Punjab University. She also holds a degree in Master of Education from Punjab University and Master of Arts in Punjabi from Punjab University. She was appointed as Non-Executive Director of the Company with effect from December 22, 2017, She is associated with the Company since its Incorporation.</p> <p><b>Qualification:</b> Bachelor of Science</p> <p><b>Date of Birth:</b> January 01, 1977</p> <p><b>Residential Address:</b> 197, Diamond Harbour Road Behala Kolkata -700034, West Bengal, India</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> CKFPK8973B</p> <p><b>Directorship Held:</b></p> <p>Mindhighway Technologies Private Limited</p>

## DECLARATION

We declare and confirm that the details of the Permanent Account Number, Aadhaar Card Number and Driving License Number, Passport Number and Bank Account Number of our Promoter will be submitted to the Stock Exchange i.e., BSE Limited, where the Equity Shares are proposed to be listed at the time of filing this Prospectus.

## UNDERTAKINGS AND CONFIRMATIONS

None of our Promoters or Promoter Group or Group Company or person in control of our company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or;
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad;
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company;
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years;
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 161 of this Prospectus.
- None of our Promoters person in control of our Company are or have ever been a promoters, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

## CHANGE IN CONTROL OF THE COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

## EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page 124 of this Prospectus.

## INTEREST OF OUR PROMOTER

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see “*Capital Structure*” on page 58 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled “*Related Party Transactions*” in chapter “*Financial Statements as Restated*” on page 142 of this Prospectus.

### *Interest in promotion of our Company*

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### ***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled ‘**Our Business**’ beginning on page 99 of this Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### ***Interest in our Company arising out of being a member of a firm or company***

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

### ***Interest in our Company other than as Promoters***

Except as mentioned in this chapter and chapters titled “**Our Business**”, “**Our History and Certain Corporate Matters**”, “**Our Management**” and “**Restated Financial Statements**” beginning on pages 99, 121, 124 and 144, respectively, our Promoters do not have any other interest in our Company.

### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in chapters “**Financial Statements as Restated**” beginning on page 144 of this Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

## **COMMON PURSUITS OF OUR PROMOTER**

As on the date of this Prospectus, none of our Promoters have any common pursuits.

## **MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the “**Financial Statements as Restated**” beginning on page 144 of this Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

## **EXPERIENCE OF PROMOTERS IN THE LIEN OF BUSINESS**

Our Promoters, are Mr. Jagjit Singh Dhillon and Mrs. Navneet Kaur have a vast experience in the industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

## **SHAREHOLDING OF THE PROMOTER GROUP IN OUR GROUP**

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled “**Capital Structure – Notes to Capital Structure**” beginning on page 58 of this Prospectus.

## **Litigation Involving Our Promoter**

For details relating to legal proceedings involving the Promoters, please refer “**Outstanding Litigation and Material Developments**” beginning on page 161 of this Prospectus.

## **Related Party Transactions**

Except as stated in “**Related Party Transactions**” beginning on page 142 of this Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

## **Companies With Which Our Promoters Have Disassociated In The Preceding Three Years**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

## **OUR PROMOTER GROUP**

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 is as under:

**A. Natural Persons who form part of our Promoter Group:**

Promoter	Mr. Jagjit Singh Dhillon	Mrs. Navneet Kaur
<b>Relation with Promoter</b>		
<b>Father</b>	Late Gurmel Singh Dhillon	Late Sukhdev Singh
<b>Mother</b>	Late Gurcharan Kaur	Mrs. Charanjit Kaur
<b>Spouse</b>	Mrs. Navneet Kaur	Mr. Jagjit Singh Dhillon
<b>Sister(s)</b>	a. Mrs. Palwinder Kaur b. Mrs. Harwinder Kumar c. Mrs. Sarabjit Kaur d. Mrs. Harpreet Kaur	--
<b>Son(s)</b>	Mr. Upkirat Singh Dhillon	Mr. Upkirat Singh Dhillon
<b>Daughter(s)</b>	Ms. Tanveen Kaur	Ms. Tanveen Kaur
<b>Spouse's Father</b>	Late Sukhdev Singh	Late Gurmel Singh Dhillon
<b>Spouse's Mother</b>	Mrs. Charanjit Kaur	Late Gurcharan Kaur
<b>Spouse's Sister(s)</b>	-	a. Mrs. Palwinder Kaur b. Mrs. Harwinder Kumar c. Mrs. Sarabjit Kaur d. Mrs. Harpreet Kaur

**B. In case promoter is a Body Corporate**

Sr. No.	Nature of Relationship	Name of the Promoter Entities/ Company
1.	Subsidiary or holding company of Promoter Company	N.A.
2.	Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	N.A.

**C. In case promoter is an Individual**

Sr. No.	Nature of Relationship	Entity
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoters or an immediate relative of the promoters or a firm or HUF in which promoters or any one or more of his immediate relatives is a member.	Mindhighway Technologies Private Limited
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	Nil
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoters and his immediate relatives is equal to or more than 20%.	Associated Fabricators

## RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure - XXVI of section titled ***“Financial Statements as Restated”*** beginning on page 144 of this Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not declared any dividend on the Equity Shares since incorporation.

**SECTION IX: FINANCIAL INFORMATION**  
**FINANCIAL STATEMENTS AS RESTATED**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1	Restated Financial Statements	F – 1 to F – 30

SECTION IX - FINANCIAL STATEMENT

FINANCIAL STATEMENT AS RESATED

**Independent Auditor's Report on The Restated Financial Statements of  
ASSOCIATED COATERS LIMITED**

**Auditor's Report on the Restated Statement of Assets and Liabilities as on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, Statement of Profit & Loss and Cash Flow for the period ended December 31, 2023 and financial years ending on March 31, 2023, 2022 and 2021 of ASSOCIATED COATERS LIMITED.**

To,  
The Board of Directors,  
**ASSOCIATED COATERS LIMITED**  
**(Formerly ASSOCIATED COATERS PRIVATE LIMITED)**  
Ashuti Khanberia Maheshtala LP 20/83/46,  
Kolkata Vivekanandapur Thakurpukur Mahestola  
South 24 Parganas WB 700141

Dear Sirs,

- 1) We have examined the attached Restated Summary Statements and Other Financial Information of **ASSOCIATED COATERS LIMITED** (Formerly known as '**ASSOCIATED COATERS PRIVATE LIMITED**'), for the period ended December 31, 2023 and financial year ended on March 31, 2023, 2022 and 2021 (collectively referred to as the "**Restated Summary Statements**" or "**Restated Financial Statements**") as duly approved by the Board of Directors of the Company.
- 2) The said Restated Financial Statements and other Financial Information have been examined and prepared for the purpose of inclusion in the Draft Prospectus/Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offering (IPO) on SME Platform of BSE Limited ("BSE SME") of the company taking into consideration the followings and in accordance with the following requirements of:
  - Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the 'SEBI ICDR Regulations') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
  - The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ("Guidance Note");
  - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - The terms of reference to our engagement letter with the company dated January 09, 2023 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of BSE Limited ("BSE SME") ("IPO" or "SME IPO").
- 3) These Restated Financial Information (included in Annexure I to XXXII) have been extracted by the Management of the Company from:

The Company's Financial Statements for the period ended December 31, 2023 and financial year ended March 31, 2023, 2022 and 2021 which have been approved by the Board of Directors at their meeting respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company's Management. The Financial Statement of the Company for the period ended on December 31, 2023 and financial year ended March 31, 2023 has been audited by us being the Statutory Auditors of the Company and for the financial year ended March 31, 2022 and 2021 has been audited by M/s. Suvankar Haldar & Associates, Chartered Accountants and had issued unqualified reports for these years.

- 4) In accordance with the requirement of Section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
- (a) The **Restated Statement of Assets and Liabilities** for the period ended December 31, 2023 and financial year ended on March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure I** to this report, is 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 of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXII to this Report.
  - (b) The **Restated Statement of Profit and Loss** of the Company for the period ended December 31, 2023 and financial year ended on March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure II** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXII to this Report.
  - (c) The **Restated Statement of Cash Flows** of the Company for the period ended December 31, 2023 and financial year ended on March 31, 2023, 2022 and 2021, examined by us, as set out in **Annexure III** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flows, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXII to this Report.

As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

- 5) Based on the above, 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 ended December 31, 2023 and financial year ended on March 31, 2023, 2022 and 2021, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:
- (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at December 31, 2023.
  - (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
  - (c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;
  - (d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended March 31, 2023, 2022 and 2021 which would require adjustments in this Restated Financial Statements of the Company;
  - (e) Restated Summary Statement of Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to XXXII to this report;
  - (f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,

- (g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
  - (h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - (i) The Company has not paid dividend during the financial years under review.
- 6) We have also examined the following other Restated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors of the company for the period ended December 31, 2023 and financial year ended on March 31, 2023, 2022 and 2021 proposed to be included in the Draft Red Hearing/Red Hearing/Prospectus ("Offer Document") for the proposed IPO:
- 1. Statement of Share Capital, as restated in **Annexure V** to this report.
  - 2. Statement of Reserves & Surplus, as restated in **Annexure VI** to this report
  - 3. Statement of Long-Term Borrowings, as restated in **Annexure VII** to this report.
  - 4. Statement of Long-Term Provisions, as restated in **Annexure VIII** to this report
  - 5. Statement of Trade Payables as restated in **Annexure IX** to this report.
  - 6. Statement of Other Current Liabilities as restated in **Annexure X** to this report.
  - 7. Statement of Short-Term Provisions as restated in **Annexure XI** to this report.
  - 8. Statement of Plant, Property & Equipment and Intangible Assets, as restated in **Annexure XII** to this report.
  - 9. Statement of Deferred Tax Assets, as restated in **Annexure XIII** to this report.
  - 10. Statement of Other Non-Current Assets as restated in **Annexure XIV** to this report.
  - 11. Statement of Inventory as restated in **Annexure XV** to this report.
  - 12. Statement of Trade Receivables as restated in **Annexure XVI** to this report.
  - 13. Statement of Cash and Cash Equivalents as restated in **Annexure XVII** to this report.
  - 14. Statement of Short-Term Loans and Advances as restated in **Annexure XVIII** to this report.
  - 15. Statement of Other Current Assets as restated in **Annexure XIX** to this report.
  - 16. Statement of Revenue from Operations as restated in **Annexure XX** to this report.
  - 17. Statement of Cost of Material Consumed as restated in **Annexure XXI** to this report.
  - 18. Statement of Employee Benefit Expenses as restated in **Annexure XXII** to this report.
  - 19. Statement of Finance Cost as restated in **Annexure XXIII** to this report.
  - 20. Statement of Depreciation & Amortization as restated in **Annexure XXIV** to this report.
  - 21. Statement of Other Expenses as restated in **Annexure XXV** to this report.

22. Statement of Related Party Transactions as restated in **Annexure XXVI** to this report.
  23. Statement of Reconciliation of Restated Profit after Tax, Restated Equity/Net worth, as restated in **Annexure XXVII** to this report.
  24. Statement of Capitalization as restated in **Annexure XXVIII** to this report
  25. Statement of Other Financial Information as restated in **Annexure XXIX** to this report.
  26. Statement of Tax Shelters as restated in **Annexure XXX** to this report.
  27. Statement of Contingent Liabilities as restated in **Annexure XXXI** to this report.
  28. Statement of Accounting Ratios as restated in **Annexure XXXII** to this report.
- 7) We, JMP Associates, Chartered Accountants hold a valid peer review certificate issued by the “Peer Review Board” of the Institute of Chartered Accountants of India (“ICAI”).
  - 8) The preparation and presentation of the 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 Financial Statements and information referred to above is the responsibility of the management of the Company.
  - 9) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Consolidated Financial Information referred to herein.
  - 10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  - 11) In our opinion, the above Restated Financial Statements contained in **Annexure I to XXXII** to this report read along with the ‘Significant Accounting Policies and Notes to the Financial Statements’ appearing in **Annexure IV to XXXII** after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
  - 12) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For JMP ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 324235E**

**Sd/-**  
**CA Manish Gadia**  
**Partner**  
**Membership No. 059677**  
**UDIN: 24059677BKCBGQ3396**

Place: Kolkata  
Date: May 04, 2024



**ASSOCIATED COATERS LIMITED**  
CIN : U28129WB2017PLC224001  
**RESTATED STATEMENT OF ASSETS & LIABILITIES**

(Rs. in Lakhs)

Particulars		Note No.	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>I.</b>	<b><u>EQUITY AND LIABILITIES</u></b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	(a) Share Capital	<b>2</b>	93.00	3.00	3.00	3.00
	(b) Reserves and Surplus	<b>3</b>	48.11	67.34	13.05	(0.62)
<b>2</b>	<b>Non-Current liabilities</b>					
	(a) Long-term Borrowings	<b>4</b>	9.90	9.90	10.10	0.20
	(b) Deferred Tax Liabilities (Net)		0.37	-	-	-
	(c) Long-term Provisions	<b>5</b>	1.78	1.00	0.36	-
<b>3</b>	<b>Current Liabilities</b>					
	(a) Short-term Borrowings		-	-	-	-
	(b) Trade Payable	<b>6</b>				
	(I) Dues payable to MSME Creditors		19.45	7.03	9.68	-
	(II) Dues payable to other than MSME Creditors		139.84	94.60	87.93	-
	(c) Other Current Liabilities	<b>7</b>	25.33	93.98	72.84	0.14
	(d) Short-term Provisions	<b>8</b>	26.97	19.28	4.84	-
	<b>TOTAL</b>		<b>364.74</b>	<b>296.12</b>	<b>201.81</b>	<b>2.72</b>
<b>II.</b>	<b><u>ASSETS</u></b>					
<b>1</b>	<b>Non-current Assets</b>					
	(a) Property, Plant & Equipment & Intangible Assets	<b>9</b>				
	(i) Property, Plant & Equipment		84.13	47.80	52.03	-
	(ii) Capital Work-in-progress		-	-	-	-
	(b) Deferred Tax Assets (Net)	<b>10</b>	-	0.07	0.04	-
	(c) Non- Current Investments		-	-	-	-
	(d) Long-term Loans and Advances		-	-	-	-
	(e) Other Non- Current Assets	<b>11</b>	2.51	-	-	0.07
<b>2</b>	<b>Current Assets</b>					
	(a) Inventories	<b>12</b>	9.52	3.93	2.85	-
	(b) Trade Receivables	<b>13</b>	211.74	150.91	135.87	-
	(c) Cash and Cash Equivalents	<b>14</b>	38.99	66.87	8.14	2.65
	(d) Short Term Loans & Advances	<b>15</b>	10.16	19.58	0.02	-
	(e) Other Current Assets	<b>16</b>	7.69	6.97	2.86	-
	<b>TOTAL</b>		<b>364.74</b>	<b>296.12</b>	<b>201.81</b>	<b>2.72</b>

The accompanying notes 1 - 28 are integral part of financial statements  
As per our report of even date

For JMP ASSOCIATES  
Chartered Accountants  
FRN: 324235E

Sd/-  
CA Manish Gadia  
(Partner)  
Membership No. 059677

Place: KOLKATA  
Date: 04/05/2024  
UDIN: 24059677BKCBGQ3396

For & on behalf of the board of directors,  
ASSOCIATED COATERS LIMITED

Sd/-  
Jagjit Singh Dhillon  
Managing Director  
DIN: 07980441

Sd/-  
Navneet Kaur  
Director  
DIN: 07980468

Sd/-  
Heenal Hitesh Rathod  
Company Secretary  
EVRPR0491A

**ASSOCIATED COATERS LIMITED**  
**CIN : U28129WB2017PLC224001**  
**RESTATED STATEMENT OF PROFIT & LOSS**

(Rs. in Lakhs)

Particulars	Note No.	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Revenue from operations	17	397.00	358.94	139.41	-
Other income		-	-	-	-
<b>Total Income</b>		<b>397.00</b>	<b>358.94</b>	<b>139.41</b>	<b>-</b>
<b>Expenses:</b>					
Cost of Materials Consumed	18	259.44	236.57	103.57	-
Employee Benefit Expenses	19	9.07	22.17	10.36	-
Finance Cost	20	0.04	0.54	0.01	-
Depreciation and Amortization Expenses	21	10.66	7.56	3.94	-
Other Expenses	22	14.68	18.73	3.07	0.14
<b>Total Expenses</b>		<b>293.90</b>	<b>285.57</b>	<b>120.94</b>	<b>0.14</b>
<b>Profit before Exceptional Items</b>		<b>103.10</b>	<b>73.37</b>	<b>18.47</b>	<b>(0.14)</b>
Exceptional Items		-	-	-	-
<b>Profit/(Loss) before Tax</b>		<b>103.10</b>	<b>73.37</b>	<b>18.47</b>	<b>(0.14)</b>
<b>Tax Expenses:</b>					
Current Tax		26.90	19.11	4.84	-
Deferred Tax		0.44	(0.03)	(0.04)	-
<b>Profit/(Loss) for the year</b>		<b>75.77</b>	<b>54.30</b>	<b>13.67</b>	<b>(0.14)</b>
<b>Earnings per equity share:</b>					
Basic (in Rs.)		8.15	5.84	1.47	0.01
Diluted (in Rs.)		8.15	5.84	1.47	(0.01)

The accompanying notes 1 - 28 are integral part of financial statements  
As per our report of even date

For JMP ASSOCIATES  
Chartered Accountants  
FRN: 324235E

Sd/-  
CA Manish Gadia  
(Partner)  
Membership No. 059677

Place: KOLKATA  
Date: 04/05/2024  
UDIN: 24059677BKCGBGQ3396

For & on behalf of the board of directors,  
ASSOCIATED COATERS LIMITED

Sd/-  
Jagjit Singh Dhillon  
Managing Director  
DIN: 07980441

Sd/-  
Navneet Kaur  
Director  
DIN: 07980468

Sd/-  
Heenal Hitesh Rathod  
Company Secretary  
EVRPR0491A

**ASSOCIATED COATERS LIMITED**  
CIN : U28129WB2017PLC224001  
**RESTATED CASH FLOW STATEMENT**

(Rs. in Lakhs)

Particulars	For the period ended 31st December, 2023	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before tax	103.10	73.37	18.47	(0.14)
Depreciation & Amortisation	10.66	7.56	3.94	-
Finance Cost	0.04	0.54	0.01	-
Loss/(Profit) on Sale of Property, Plant & Equipments	-	-	-	-
Provision for Gratuity	0.78	0.64	0.36	-
Preliminary Expenses	-	-	0.07	0.07
Interest Income	-	-	-	-
<b>Operating Profit before Working Capital Charges</b>	<b>114.58</b>	<b>82.12</b>	<b>22.85</b>	<b>(0.06)</b>
<b>Adjusted for:</b>				
Inventories	(5.60)	(1.08)	(2.85)	-
Trade receivables	(60.83)	(15.04)	(135.87)	-
Short Term Loans & Advances	9.41	(19.55)	(0.02)	-
Other Current Assets	(0.72)	(4.10)	(2.86)	-
Trade Payable	57.67	4.01	97.62	-
Other Current Liabilities	(68.65)	21.13	72.70	0.06
Short-term Provisions	-	-	-	-
<b>Cash Generated From Operations</b>	<b>45.87</b>	<b>67.49</b>	<b>51.56</b>	<b>-</b>
Payment of Income Tax (Net of Refund)	(19.20)	(4.68)	-	-
<b>Net cash generated/ (used in) from operating activities</b>	<b>26.66</b>	<b>62.81</b>	<b>51.56</b>	<b>-</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Property, Plant & Equipment	(47.00)	(3.33)	(55.97)	-
Capital Work In Progress	-	-	-	-
Sale of Property, Plant & Equipment	-	-	-	-
Other Non-current Assets	(2.51)	-	-	-
Interest Income	-	-	-	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(49.50)</b>	<b>(3.33)</b>	<b>(55.97)</b>	<b>-</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Finance Cost	(0.04)	(0.54)	(0.01)	-
IPO related expenses	(5.00)	-	-	-
Movement of Long Term Borrowings	-	(0.20)	9.90	-
Movement Short term borrowings	-	-	-	-
<b>Net Cash used in Financing Activities (C)</b>	<b>(5.04)</b>	<b>(0.74)</b>	<b>9.89</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(27.88)</b>	<b>58.73</b>	<b>5.48</b>	<b>-</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>	<b>2.65</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>38.99</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>

Note :-

1. Components of Cash &amp; Cash Equivalent

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
a. Balances with banks				
- Current Accounts	36.95	66.32	6.90	0.07
b. Cash on hand (As certified by the management)	2.04	0.54	1.24	2.58
<b>Total</b>	<b>38.99</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>

0.00

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

3. Figures in Brackets represents outflow.

The accompanying notes 1 - 28 are integral part of financial statements  
As per our report of even date

For JMP ASSOCIATES  
FRN: 324235E

For & on behalf of the board of directors,  
ASSOCIATED COATERS LIMITED

Sd/-  
CA Manish Gadia  
(Partner)  
Membership No. 059677

Sd/-  
Jagjit Singh Dhillon  
Managing Director  
DIN: 07980441

Sd/-  
Heenal Hitesh Rathod  
Director

Place: KOLKATA  
Date: 04/05/2024  
UDIN: 24059677BKCBGQ3396

Sd/-  
Heenal Hitesh Rathod  
Company Secretary  
EVRPR0491A

**ASSOCIATED COATERS LIMITED****STATEMENT OF NOTES TO RESTATED FINANCIAL STATEMENTS****NOTE 1****(A) Background of the Company**

The company was originally formed & incorporated as a Private Limited Company at Kolkata, West Bengal under the Companies Act, 2013 under the name of "*Associated Coaters Private Limited*" vide certificate of incorporation dated December 22, 2017 bearing Corporate Identity Number U28129WB2017PTC224001 issued by the Registrar of Companies, Kolkata, West Bengal. Subsequently, our company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on October 25th, 2023 and the name of the company was changed to "*Associated Coaters Limited*" pursuant to issuance of Fresh Certificate of Incorporation dated December 19th, 2023 by Registrar of Companies, Kolkata, West Bengal. The Corporate Identification Number of our company U28129WB2017PLC224001.

The company is mainly engaged in the business specializing in the pre treatment, powder coating, wood coating & PVDF coating on Metals, majorly being aluminium extrusions.

**(B) Significant Accounting Policies****1.1 Basis of preparation of financial statements**

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.

**1.2 Use of Estimates**

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 recognized prospectively in current and future periods.

**1.3 Revenue Recognition**

- (a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- (b) Sales are recognized on accrual basis, and only after transfer of goods or services to the customer.
- (c) Dividend on Investments are recognized on receipt basis.
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**1.4 Property, Plant & Equipment & Depreciation**

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. 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.

**1.5 Depreciation of Tangible Assets: -**

Depreciation on tangible property, plant & equipment is charged on written down value of the asset as per the Companies Act, 2013. Depreciation on assets purchased/acquired during the year is charged from the date of purchase/acquisition of the asset or from the day the asset is ready for its intended use. Similarly, depreciation on assets sold/discarded during the year is charged up to the date when the asset is sold/discarded

## **1.6 Investments**

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 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. 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.

## **1.7 Impairment of Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset might be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash flows from other assets or other group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting period may no longer exist or may have decreased.

## **1.8 Inventories**

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is FIFO. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

## **1.5 Investments**

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

## **1.6 Employee Benefits**

### **(i) Short term employee benefits**

Short term employee benefits are recognized 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 recognized as expenses in the period in which the employee renders the related service.

### **(ii) (a) Defined Contribution Plan:**

The Company has Defined Contribution Plans for Post-employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

### **(b) Defined Benefit Plan:**

Unfunded Plan 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

## **1.7 Borrowing Costs**



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, up to 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.

### **1.8 Taxes on Income**

Tax expense for the year comprising current tax & 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 & 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 recognized 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 recognized. 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.

### **1.9 Earnings per Share (EPS)**

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. 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.

### **1.10 Prior Period Items**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

### **1.11 Provisions, Contingent Liabilities and Contingent Assets**

#### **Provisions:**

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.

#### **Contingent Liability:**

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.

#### **Contingent Assets:**

Contingent Assets are neither recognized nor disclosed in the financial statements.

### **1.12 Segment Reporting**

The Company is operating in only one segment. Hence Segment reporting is not applicable.

### **1.13 Cash and Cash Equivalents**

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.

### **1.14 Changes in Accounting Policies in the Period/Years Covered in The Restated Financial Statements**

There is no change in significant accounting policies adopted by the Company.

### **1.15 Other Notes on Restated Financial statements**

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.

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.

Figures have been rearranged and regrouped wherever practicable and considered necessary.

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.

The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

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.

Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

Amounts in the restated standalone financial statements: Amounts in the restated standalone financial statements are rounded off to nearest Lakhs. Figures in brackets indicate negative values

**ASSOCIATED COATERS LIMITED**  
**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 2**

**SHARE CAPITAL**

*Annexure-V*  
*Rs. In lakhs*

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
<b>Authorised</b>				
5,00,000 (P. Y. 10,00,000) Equity Shares of Rs.10/- each	50.00	10.00	10.00	10.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>				
930,000 (P. Y.30000) Equity Shares of Rs.10/- each fully paidup	93.00	3.00	3.00	3.00
<b>Total</b>	<b>93.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>

**NOTE 2A : Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Shares outstanding at the beginning of the year	30,000	30,000	30,000	30,000
Shares Issued during the year	9,00,000	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>9,30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>

a. The authorised capital of the company was increased from 5,00,000 equity shares of Rs. 10/- each amounting to Rs. 50.00 Lakhs to 20,00,000 equity shares of Rs. 10/- each amounting to Rs. 200.00 Lakhs vide resolution dated December 18, 2023 (i.e., after the period considered in this financial statements).

b. The paid up share capital of the company was increased from 30,000 fully paid up equity shares of Rs. 10/- each amounting to Rs.3.00 Lakhs to 9,30,000 equity shares of Rs. 10 each fully paid up amounting to Rs. 93.00 Lakhs by issuing bonus shares in the ration 30:1 (30 fully paid up equity shares for every one fully paid up equity share held) vide resolution dated December 18, 2023(i.e., after the period considered in this financial statement).

**NOTE 2B: Term/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

**NOTE 2C : Shares held by promoters at the end of the period**

Sl. No.	Promoter Name	As at 31.12.2023	% Change during the period	As at 31.03.2023	% Change during the period	As at 31.03.2022	% Change during the period	As at 31.03.2021	% Change during the period
		No. of Shares		No. of Shares		No. of Shares		No. of Shares	
1	Jagjit Singh Dhillon	6,19,814	2999.07%	20,000	0.00%	20,000	100.00%	10,000	0.00%
2	Navneet Kaur	3,10,000	3000.00%	10,000	0.00%	10,000	0.00%	10,000	0.00%
3	Gurmel Singh Dhillon	-	-	-	-	-	-100.00%	10,000	0.00%
	<b>Total</b>	<b>9,29,814</b>	<b>5999%</b>	<b>30,000</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>30,000</b>	<b>-</b>

**NOTE 2D : The details of Shareholders holding more than 5% shares:**

Sl.No	Name of Shareholder	As at 31.12.2023		As at 31.03.2023		As at 31.03.2022		As at 31.03.2021	
		% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held
1	Jagjit Singh Dhillon	66.66%	6,19,814	66.67%	20,000	66.67%	20,000	33.33%	10,000
2	Navneet Kaur	33.34%	3,10,000	33.33%	10,000	33.33%	10,000	33.33%	10,000
3	Gurmel Singh Dhillon	-	-	-	-	-	-	33.33%	10,000
	<b>Total</b>	<b>100.00%</b>	<b>9,29,814</b>	<b>100.00%</b>	<b>30,000</b>	<b>100.00%</b>	<b>30,000</b>	<b>100.00%</b>	<b>30,000</b>

**NOTE 2E : Holding Company**

Name of Company :
No. of Shares held :
% of Holding :

**NOTE 3**

**RESERVE & SURPLUS**

*Annexure-VI*  
*(Rs. In Lakhs)*

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>a. Securities Premium Reserve</b>				
Opening Balance		-	-	-
Add : Securities premium credited on Share issue		-	-	-
<b>Closing Balance</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>b. Surplus/(Deficit) in Statement of Profit &amp; Loss</b>				
Opening balance		13.05	(0.62)	(0.48)
Add/(Less): Net Profit/(Net Loss) for the current year	67.34	75.77	54.30	13.67
Less: IPO related expenses	-	5.00	-	-
Less: Bonus Issue	-	90.00	-	-
<b>Closing Balance</b>	<b>48.11</b>	<b>67.34</b>	<b>13.05</b>	<b>(0.62)</b>
<b>Total</b>	<b>48.11</b>	<b>67.34</b>	<b>13.05</b>	<b>(0.62)</b>

<b>NOTE 4</b>						
<b>LONG TERM BORROWINGS</b>						
<i>Annexure-VII (Rs. In Lakhs)</i>						
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021		
<b>(i) SECURED LOANS</b>		-	-	-		
<b>(ii) UNSECURED LOANS</b>		-	-	-		
Loan from Financial Institution	-	-	-	-		
Loan from Director (Refer Note 4.1)	9.90	9.90	10.10	0.20		
<b>Total (i) + (ii) - (iii)</b>	<b>9.90</b>	<b>9.90</b>	<b>10.10</b>	<b>0.20</b>		
<b>NOTE 5</b>						
<b>LONG TERM PROVISIONS</b>						
<i>Annexure-VIII (Rs. In Lakhs)</i>						
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021		
Provision for Employee Benefit Expenses						
Provision for Gratuity (Refer Note - 28A)	1.78	1.00	0.36	-		
<b>Total</b>	<b>1.78</b>	<b>1.00</b>	<b>0.36</b>	<b>-</b>		
<b>NOTE 6</b>						
<b>TRADE PAYABLES</b>						
<i>Annexure-IX (Rs. In Lakhs)</i>						
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021		
Micro, Small and Medium Enterprise	19.45	7.03	9.68	-		
From Others	139.84	94.60	87.93	-		
<b>Total</b>	<b>159.29</b>	<b>101.63</b>	<b>97.62</b>	<b>-</b>		
<b>Ageing Schedule of Trade payables</b>						
PARTICULARS	Ageing Schedule of Trade payables					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 yrs	More Than 3 yrs	
<b>As on 31.12.2023</b>						
MSME		0.36	19.10			19.45
Other than MSME		59.79	80.05			139.84
<b>As on 31.03.2023</b>						
MSME		2.60	4.43			7.03
Other than MSME		6.17	88.43			94.60
<b>As on 31.03.2022</b>						
MSME		1.52	8.16			9.68
Other than MSME		-	87.93			87.93
<b>As on 31.03.2021</b>						
MSME		-	-			-
Other than MSME						-
<p><b>Note:</b> <b>Micro and Small &amp; Medium Enterprises</b></p> <p>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 up to the extent identified have been made:</p> <p>(i) Amount due and outstanding to MSME suppliers as at the end of the accounting year.</p> <p>(ii) Interest paid during the year to MSME.</p> <p>(iii) Interest payable at the end of the accounting year to MSME.</p> <p>(iv) Interest accrued and unpaid at the end of the accounting year to MSME.</p> <p>(v) Management believes that the figures for disclosures, if any, will not be significant.</p> <p><b>Note:</b> Trade Payables as on respective dates has been taken as certified by the management of the company</p>						
<b>NOTE 7</b>						
<b>OTHER CURRENT LIABILITIES</b>						
<i>Annexure-X (Rs. In Lakhs)</i>						
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021		
Statutory Dues	1.17	14.58	6.57	-		
<b>Other Advances</b>						
From Related Parties	-	-	-	-		
From Others	-	-	-	-		
Advance from Customers	1.48	1.49	-	-		
Payable for Machineries	-	55.97	55.97	-		
Directors Remuneration Payable	19.98	-	-	-		
Expenses Payable	2.70	21.94	10.31	0.14		
<b>Total</b>	<b>25.33</b>	<b>93.98</b>	<b>72.84</b>	<b>0.14</b>		
<p><b>Note:</b> 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</p>						
<b>NOTE 8</b>						
<b>SHORT TERM PROVISIONS</b>						
<i>Annexure-XI (Rs. In Lakhs)</i>						
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021		
Provision for Others						
Provision for Income Tax	26.96	19.27	4.84	-		
Provision for Employee Benefit Expenses						
Provision for Gratuity (Refer Note - 28A)	0.01	0.00	0.00	-		
<b>Total</b>	<b>26.97</b>	<b>19.28</b>	<b>4.84</b>	<b>-</b>		

**NOTE 10****DEFERRED TAX ASSETS**Annexure-XIII  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting.	-	0.37	0.07	0.04
Unabsorbed Depreciation carried forward.	-	-	-	-
Expenses allowable on payment basis against taxable income in future years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>0.37</b>	<b>0.07</b>	<b>0.04</b>

Notes: In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Assets (net of Assets) is provided in the books of account as at the end of the year.

**NOTE 11****OTHER NON-CURRENT ASSETS**Annexure-XIV  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Preliminary expenses written to the extent written off</b>	-	-	0.07	0.14
Less:- Preliminary expenses written off	-	-	(0.07)	(0.07)
Deposit with CESC	2.51	-	-	-
<b>Total</b>	<b>2.51</b>	<b>-</b>	<b>-</b>	<b>0.07</b>

**NOTE 12****INVENTORIES**Annexure-XV  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
(As Valued & certified by the Management)				
Raw-materials	9.52	3.93	2.85	-
<b>Total</b>	<b>9.52</b>	<b>3.93</b>	<b>2.85</b>	<b>-</b>

**NOTE 13****TRADE RECEIVABLES**Annexure-XVI  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, considered good</b>				
Trade Receivables	211.74	150.91	135.87	-
<b>Total</b>	<b>211.74</b>	<b>150.91</b>	<b>135.87</b>	<b>-</b>

PARTICULARS	Ageing Schedule of Trade receivables					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 yrs	More Than 3 yrs	
<b>As on 31.12.2023</b>						
Undisputed Trade receivables- considered good						-
Undisputed Trade receivables- considered doubtful	-	17.28	194.46			211.74
Disputed Trade receivables- considered good						
Disputed Trade receivables- considered doubtful						
<b>As on 31.03.2023</b>						
Undisputed Trade receivables- considered good		41.61	109.30			150.91
Undisputed Trade receivables- considered doubtful						
Disputed Trade receivables- considered good						
Disputed Trade receivables- considered doubtful						
<b>As on 31.03.2022</b>						
Undisputed Trade receivables- considered good			135.87			135.87
Undisputed Trade receivables- considered doubtful						
Disputed Trade receivables- considered good						
Disputed Trade receivables- considered doubtful						
<b>As on 31.03.2021</b>						
Undisputed Trade receivables- considered good						
Undisputed Trade receivables- considered doubtful						
Disputed Trade receivables- considered good						
Disputed Trade receivables- considered doubtful						

Notes: As per the view of the Management of the Company there is no doubtful debt and hence provisions for doubtful debts have not been made. Trade Receivables as on respective dates has been taken as certified by the Management of the company

**NOTE 14****CASH AND CASH EQUIVALENTS**Annexure-XVII  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
a. Balances with banks				
- Current Accounts	36.95	66.32	6.90	0.07
b. Cash on hand (As certified by the management)	2.04	0.54	1.24	2.58
<b>Total</b>	<b>38.99</b>	<b>66.87</b>	<b>8.14</b>	<b>2.65</b>

**NOTE 15****SHORT TERM LOANS AND ADVANCES**Annexure-XVIII  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
(Unsecured, considered good)				
<b>a. Loans</b>				
To Related Parties	-	-	-	-
(Recoverable in Cash or in Kind or value to be received)				
<b>b. Advances</b>				
Advance to Suppliers	2.34	-	-	-
Advance to Others	7.82	16.08	0.02	-
Advance to Employees	-	3.50	-	-
Advance to Related Parties	-	-	-	-
<b>Total</b>	<b>10.16</b>	<b>19.58</b>	<b>0.02</b>	<b>-</b>

Note: Advances given to suppliers have been taken as certified by the management of the company. No Securities have been taken by the company against advances given to suppliers. Advances given to employees & Advances to others are interest free

**NOTE 16****OTHER CURRENT ASSETS**Annexure-XIX  
(Rs. In Lakhs)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Prepaid Insurance	0.25	-	-	-
<b>Recoverable from Govt Authorities</b>				
Advance Income Tax and TDS	7.44	6.97	2.62	-
GST Input	-	-	-	-
Other Advances	-	-	0.25	-
<b>Total</b>	<b>7.69</b>	<b>6.97</b>	<b>2.86</b>	<b>-</b>



Note: Prepaid has been taken as certified by the management of the company

<b>NOTE 17</b>				
<b>REVENUE FROM OPERATIONS</b>				
<i>Annexure-XX (Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Sale of Services	397.00	358.94	139.41	-
<b>Total</b>	<b>397.00</b>	<b>358.94</b>	<b>139.41</b>	<b>-</b>
<b>NOTE 18</b>				
<b>COST OF OPERATIONS</b>				
<i>Annexure-XXI (Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Opening Stock of Raw materials	3.93	2.85	-	-
Add: Purchases	203.27	179.61	56.96	-
Add: Consumables	19.23	-	11.30	-
Add: Other manufacturing expenses (Refer note 18.1)	42.54	58.04	38.15	-
	268.97	240.50	106.41	-
Less: Closing Stock of Raw Materials	9.52	3.93	2.85	-
<b>Total</b>	<b>259.44</b>	<b>236.57</b>	<b>103.57</b>	<b>-</b>
<b>NOTE 19</b>				
<b>EMPLOYEES BENEFITS EXPENSE</b>				
<i>Annexure-XXII (Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Salaries & Wages	1.42	5.23	-	-
Saf Welfare Expenses	0.63	-	-	-
Directors Remuneration	5.40	16.00	10.00	-
Contribution to ESI & PF	0.84	0.30	-	-
Gratuity Expenses (Refer Note 25A)	0.78	0.64	0.36	-
<b>Total</b>	<b>9.07</b>	<b>22.17</b>	<b>10.36</b>	<b>-</b>
<b>NOTE 20</b>				
<b>FINANCE COST</b>				
<i>Annexure-XXIII (Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Other Finance Charges	0.04	0.54	0.01	-
<b>Total</b>	<b>0.04</b>	<b>0.54</b>	<b>0.01</b>	<b>-</b>
<b>NOTE 21</b>				
<b>DEPRECIATION &amp; AMORTIZATION EXPENSES</b>				
<i>Annexure-XXIV (Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Depreciation on Property, Plant & Equipment	10.66	7.56	3.94	-
<b>Total</b>	<b>10.66</b>	<b>7.56</b>	<b>3.94</b>	<b>-</b>
<b>NOTE 22</b>				
<b>OTHER EXPENSES</b>				
<i>Annexure-XXV (Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Advertisement	0.05	0.80	0.15	-
Auditors Remuneration * (Refer Note No.22.1)	0.38	0.40	0.40	0.06
Carriage outward	1.43	-	-	-
Preliminary expenses written off	-	-	0.07	0.07
Profession tax	0.03	0.03	0.05	-
Office & expenses	0.12	0.69	0.20	-
Round OFF	0.00	0.00	-	-
Transportation charges	-	2.30	-	-
Interest & Late fee	2.32	-	-	-
Insurance Expenses	0.11	-	0.11	-
Legal & Professional Fees	3.15	1.19	0.14	-
Printing & Stationery	0.25	0.16	0.09	-
Rates & Taxes	0.28	0.02	0.07	-
Repair & Maintenance	3.58	7.02	0.90	-
Accounting Charges	0.27	0.36	0.22	0.01
Telephone Expenses	-	0.12	0.10	-
Trade Mark Expenses	0.24	-	-	-
Travelling & Conveyance Expenses	2.12	5.04	0.43	-
Other General Expenses	0.35	0.60	0.15	-
<b>Total</b>	<b>14.68</b>	<b>18.73</b>	<b>3.07</b>	<b>0.14</b>
<b>Note- 22.1 Details of Payment to Auditors</b>				
<i>(Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Payments to the auditor As auditors	0.38	0.40	0.40	0.06
For Statutory Audit	-	-	-	-
For GST Audit	-	-	-	-
<b>Total</b>	<b>0.38</b>	<b>0.40</b>	<b>0.40</b>	<b>0.06</b>
<b>Note- 18.1 Other manufacturing expenses</b>				
<i>(Rs. In Lakhs)</i>				
Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
(i) Cairrage Inward	2.09	3.01	0.39	-
(ii) Labour Charges	27.33	43.60	32.14	-
(iii) Machine Hire Charges	3.60	3.60	1.50	-
(iv) Electricity Charges	9.51	7.83	4.13	-
<b>Total</b>	<b>42.54</b>	<b>58.04</b>	<b>38.15</b>	<b>-</b>

**ASSOCIATED COATERS LIMITED**

**NOTE 9  
PROPERTY, PLANT & EQUIPMENTS**

Annexure-XII  
(Rs. In Lakhs)

As on 31.12.2023										
Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at	Additions	Disposal	As at	As at	For the	Adjustment	As at	As at	As at
	01.04.2023			31.12.2023	01.04.2023	Year		31.12.2023	31.12.2023	31.03.2023
<b>Tangible Assets</b>										
Computers	0.32	0.00		0.32	0.10	0.10		0.21	0.11	0.22
Security Camera	0.28	0.00		0.28	0.04	0.03		0.06	0.21	0.24
Tools & Implements	1.29	0.00		1.29	0.18	0.15		0.33	0.96	1.11
Furniture & Fittings	2.20	0.00		2.20	0.40	0.35		0.75	1.45	1.80
Electronic Equipments	2.20	1.88		4.08	0.14	0.46		0.60	3.48	2.06
Metallic Tank	6.65	0.24		6.88	0.84	0.43		1.27	5.61	5.81
Plant & Machineries	42.43	31.28		73.71	5.86	8.48		14.35	59.36	36.56
Factory Shed	0.00	13.05		13.05	0.00	0.63		0.63	12.42	0.00
Refrigerator	0.00	0.55		0.55	0.00	0.02		0.02	0.53	0.00
<b>Total</b>	<b>55.36</b>	<b>47.00</b>	<b>-</b>	<b>102.36</b>	<b>7.56</b>	<b>10.66</b>	<b>-</b>	<b>18.23</b>	<b>84.13</b>	<b>47.80</b>
Previous Year	52.03	3.33	-	55.36	-	7.56	-	7.56	47.80	52.03
Capital Work-inProgress#										

As on 31.03.2023										
Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at	Additions	Disposal	As at	As at	For the	Adjustment	As at	As at	As at
	01.04.2022			31.03.2023	01.04.2022	Year		31.03.2023	31.03.2023	31.03.2022
<b>Tangible Assets</b>										
Computers	0.03	0.29	0.00	0.32	0.00	0.10	0.00	0.10	0.22	0.03
Security Camera	0.28	0.00	0.00	0.28	0.00	0.04	0.00	0.04	0.24	0.28
Tools & Implements	1.29	0.00	0.00	1.29	0.00	0.18	0.00	0.18	1.11	1.29
Furniture & Fittings	2.20	0.00	0.00	2.20	0.00	0.40	0.00	0.40	1.80	2.20
Electronic Equipments	0.37	1.83	0.00	2.20	0.00	0.14	0.00	0.14	2.06	0.37
Metallic Tank	5.82	0.82	0.00	6.65	0.00	0.84	0.00	0.84	5.81	5.82
Plant & Machineries	42.05	0.38	0.00	42.43	0.00	5.86	0.00	5.86	36.56	42.05
<b>Total</b>	<b>52.03</b>	<b>3.33</b>	<b>-</b>	<b>55.36</b>	<b>-</b>	<b>7.56</b>	<b>-</b>	<b>7.56</b>	<b>47.80</b>	<b>52.03</b>
Previous Year	-	55.97	-	55.97	-	3.94	-	3.94	52.03	-
Capital Work-inProgress#	-	-	-	-	-	-	-	-	-	-

As on 31.03.2022										
Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at	Additions	Disposal	As at	As at	For the year	Adjustment	As at	As at	As at
	01.04.2021			31.03.2022	01.04.2021			31.03.2022	31.03.2022	31.03.2021
<b>Tangible Assets</b>										
Computers	-	0.04	-	0.04	-	0.01	-	0.01	0.03	-
Security Camera	-	0.30	-	0.30	-	0.02	-	0.02	0.28	-
Tools & Implements	-	1.38	-	1.38	-	0.10	-	0.10	1.29	-
Furniture & Fittings	-	2.42	-	2.42	-	0.22	-	0.22	2.20	-
Electronic Equipments	-	0.40	-	0.40	-	0.03	-	0.03	0.37	-
Metallic Tank	-	6.26	-	6.26	-	0.43	-	0.43	5.82	-
Plant & Machineries	-	45.18	-	45.18	-	3.13	-	3.13	42.05	-
<b>Total</b>	<b>-</b>	<b>55.97</b>	<b>-</b>	<b>55.97</b>	<b>-</b>	<b>3.94</b>	<b>-</b>	<b>3.94</b>	<b>52.03</b>	<b>-</b>
Previous Year	-	-	-	-	-	-	-	-	-	-
Capital Work-inProgress#	-	-	-	-	-	-	-	-	-	-

As on 31.03.2021										
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Additions	Disposal	As at	As at	For the year	Adjustment	As at	As at	As at
	01.04.2020			31.03.2021	01.04.2020			31.03.2021	31.03.2021	31.03.2020
<i>Tangible Assets</i>										
Computers	-	-	-	-	-	-	-	-	-	-
Security Camera	-	-	-	-	-	-	-	-	-	-
Tools & Implements	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	-	-	-	-	-	-	-	-	-	-
Electronic Equipments	-	-	-	-	-	-	-	-	-	-
Metallic Tank	-	-	-	-	-	-	-	-	-	-
Plant & Machineries	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-
<b>Capital Work-inProgress#</b>	-	-	-	-	-	-	-	-	-	-

#Capital WIP ageing schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As at 31.12.2023					
As at 31.03.2023	-	-	-	-	-
As at 31.03.2022	-	-	-	-	-
As at 31.03.2021	-	-	-	-	-

**STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY**

Annexure to Note no. 4

Name of Lender/Fund	Nature of Facility	Date of Issue	Sanctioned Amount (In Lakhs Rs.)	Collateral Security	Repayment Period	Re-Payment Period	Rate of Interest	Outstanding amount (In Lakhs Rs.) as on (as per Books)	Outstanding amount (In Lakhs Rs.) as on (as per Books)	Outstanding amount (In Lakhs Rs.) as on (as per Books)	Outstanding amount (In Lakhs Rs.) as on (as per Books)
								31/12/2023	31/03/2023	31/03/2022	31/03/2021
<b>Secured Loans from Banks</b>											
								0.00	0.00	0.00	0.00
<b>Unsecured Loans from Banks</b>											
								0.00	0.00	0.00	0.00
<b>Unsecured Loans</b>											
<b>From Directors and Shareholders</b>											
Jagjit Singh Dhillon								9.90	9.90	10.10	0.20
<b>Total</b>								<b>9.90</b>	<b>9.90</b>	<b>10.10</b>	<b>0.20</b>
<b>Total</b>								<b>9.90</b>	<b>9.90</b>	<b>10.10</b>	<b>0.20</b>

**ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION**

*Annexure - IV*

**Rs. In Lakhs**

**NOTE 28A- GRATUITY**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to gratuity on terms as per the provisions of the Payment of Gratuity Act, 1972. The scheme is unfunded.

	31/12/2023 (Rs.)	31/03/2023 (Rs.)	31/03/2022 (Rs.)	31/03/2021 (Rs.)
<b>i) Net employee expense/(benefit).</b>				
Current service cost	0.51	0.50	0.36	-
Interest cost on benefit obligation	0.06	0.03	-	-
Past service cost	-	-	-	-
Net Actuarial (gain)/loss recognized in the year	0.21	0.12	-	-
<b>Total employer expenses recognized in the Statement of Profit and Loss</b>	<b>0.78</b>	<b>0.64</b>	<b>0.36</b>	<b>-</b>
<b>ii) Benefit Asset/(Liability)</b>				
Defined benefit obligation	1.78	1.00	0.36	-
Fair Value of plan assets	-	-	-	-
<b>Benefit Asset/ (liability)</b>	<b>1.78</b>	<b>1.00</b>	<b>0.36</b>	<b>-</b>
<b>ii) Benefit Asset/(Liability)</b>				
Current Liability	0.01	1.36	0.002	-
Non-Current Liability	1.78	-	0.36	-
<b>Benefit Asset/ (liability)</b>	<b>1.78</b>	<b>1.36</b>	<b>0.36</b>	<b>-</b>
<b>iii) Movement in benefit liability</b>				
Opening defined benefit obligation	1.00	0.36	-	-
Current service cost	0.51	0.50	0.36	-
Interest Cost	0.06	0.03	-	-
Plan Amendments Cost/(Credit)	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (gains)/losses on obligation	0.21	0.12	-	-
<b>Closing benefit obligation</b>	<b>1.78</b>	<b>1.00</b>	<b>0.36</b>	<b>-</b>
<b>iv) The principal actuarial assumption are as follows</b>				
Discount rate	7.34%	7.46%	7.24%	0.00%
Salary increase	8.00%	8.00%	8.00%	0.00%
Withdrawal rates	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	
Normal age of retirement	58 Years	58 Years	58 Years	
<b>v) Amounts for the current year and previous period are as follows</b>	<b>31.12.23</b>	<b>31.03.23</b>	<b>31.03.22</b>	<b>31.03.21</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Gratuity</b>				
Defined Benefit Obligation	1.78	1.00	0.36	-
Plan Assets	-	-	-	-
Surplus/(Deficit)	-	-	-	-
Experience adjustments on plan liabilities	Not Available*	Not Available*	Not Available*	Not Available*

**NOTE 28B- DEFERRED TAX**

Particulars		01.04.2023 to 31.12.2023	2022-2023	2021-2022	2020-21
Depreciation as per Companies Act, 2013		10.66	7.56	3.94	-
Depreciation as per Income Tax Act, 1961		13.13	8.08	4.14	-
<b>Differential Net Timing Difference</b>	<b>[A]</b>	<b>- 2.47</b>	<b>- 0.51</b>	<b>- 0.20</b>	<b>-</b>
Unabsorbed Losses	<b>[B]</b>	-	-	-	-
Provision for Gratuity	<b>[C]</b>	0.78	0.64	0.36	-
Substantively Enacted Tax Rate	<b>[D]</b>	0.26	0.26	0.26	-
<b>Closing Net Deferred Tax Liability</b>	<b>[(A+B+C) X D]</b>	<b>- 0.44</b>	<b>- 0.03</b>	<b>- 0.04</b>	<b>-</b>
Opening Net Deferred Tax Liability		-	-	-	-
Reversal of Deferred Tax Liability		-	-	-	-
<b>Deferred Taxes (Debited) / Credited to the Statement of Profit &amp; Loss</b>		<b>- 0.44</b>	<b>- 0.03</b>	<b>- 0.04</b>	<b>-</b>
		<b>(0.37)</b>	<b>0.07</b>	<b>0.04</b>	<b>-</b>

**NOTE 28C - BASIC AND DILUTED EARNINGS PER SHARE**

Particulars		2023-2024 (Upto 31.12.23)	2022-2023	2021-2022	2020-2021
Profit after Tax	Rs. In Lakhs	75.77	54.30	13.67	(0.14)
Present Number of equity shares of Rs. 10/- each	Nos.	30,000	30,000	30,000	30,000
Weighted average number of Equity shares	Nos.	9,30,000	9,30,000	9,30,000	9,30,000
Basic earnings per share	Rupees	8.15	5.84	1.47	(0.01)
Diluted Earning per Share	Rupees	8.15	5.84	1.47	(0.01)

**NOTE 28D - Earning and Expenditure in Foreign currency**

Earnings in Foreign Currency - Nil. (Previous year Nil)  
Expenditure in Foreign Currency - Nil (Previous Yea- Nil)

**NOTE 28E - Contingent Liabilities not provided for : NIL**

**NOTE 28F - Disclosures required under section 22 of Micro, Small and Medium Enterprises Development Act, 2006**

The amounts due to micro and small enterprises as defined under section 22 of Micro, Small and Medium Enterprises Development Act, 2006, has been disclosed only for the parties from whom the declaration has been received and other vendors from whom declaration has not been received are disclosed under payables other than micro and small enterprises.

**NOTE 28G** - Previous year's figure have been regrouped/rearranged whenever necessary to conform to the current year's presentation.

For JMP ASSOCIATES  
Chartered Accountants  
FRN: 324235E

For & on behalf of the board of directors,  
ASSOCIATED COATERS LIMITED

Sd/-  
CA Manish Gadia  
(Partner)  
Membership No. 059677

Sd/-  
Jagjit Singh Dhillon  
Managing Director  
DIN: 07980441

Sd/-  
Navneet Kaur  
Director  
DIN: 07980468

Place: KOLKATA  
Date: 04/05/2024  
UDIN: 24059677BKCBGQ3396

Sd/-  
Heenal Hitesh Rathod  
Company Secretary  
EVRPR0491A

## STATEMENT OF RELATED PARTY TRANSACTIONS

Annexure XXVI

A. List of Related parties

Sl. No.	Name	Relation
	<u>Key Mangerial Personnel</u>	
1	Jagjit Singh Dhillon	Director
2	Navneet Kaur	Director
	<u>Enterprises having Significant Influence</u>	
3	Associated Fabricators	

## As on 31.12.2023

A. Transactions with Related Parties during the year				
Nature of Transactions	Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Remuneration Paid	5.40			
Loan Taken	-			-
Loan Taken Refunded	55.97			
Loan Given				
Loan refund received				
Interest Received				
Rent Paid	-			3.60
Maintenance Charges Paid	-			
Electricity Charges paid	-			
Job Work charges				7.76
Purchase				59.01

B. Outstanding Balances				
Nature of Transactions	Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Remuneration Payable	19.98			
Loan Taken	1.20			8.70
Loan Given	-			
Rent Payable	-			-
Trade Payables				22.96
Maintenance Charges Payable	-			
Electricity Charges Payable	-			

## AS ON 31.03.2023

A. Transactions with Related Parties during the year				
Nature of Transactions	Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Remuneration Paid	16.00			
Loan Taken				
Loan Taken Refunded				
Loan Given				
Loan refund received				
Interest Received				
Rent Paid/ Machine Hire Charges				3.60
Labour Charges				11.49
Machine Hire Charges	-			
Purchase				83.22



B. Outstanding Balances		Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions					
Remuneration Payable		20.97			
Loan Taken		57.17			8.70
Loan Given					
Rent Payable					-
Maintenance Charges Payable		-			
Electricity Charges Payable		-			
<b>AS ON 31.03.2022</b>					
A. Transactions with Related Parties during the year		Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions					
Remuneration Paid		0.39			
Loan Taken		-			
Loan Taken Refunded					
Loan Given					
Loan refund received					
Interest Received					
Rent Paid/ Machine Hire Charges		1.50			
Labour Charges		7.54			
Electricity Charges paid					
Purchase					29.49
B. Outstanding Balances		Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions					
Remuneration Payable		9.62			
Loan Taken					
Loan Given					
Rent Payable					
Maintenance Charges Payable		-			
Electricity Charges Payable					
<b>AS ON 31.03.2021</b>					
A. Transactions with Related Parties during the year		Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions					
Remuneration Paid					
Loan Taken					
Loan Taken Refunded					
Loan Given					
Loan refund received					
Interest Received					
Rent Paid					
Maintenance Charges Paid					
Machine Hire Charges					
Purchase					
B. Outstanding Balances		Director	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions					
Remuneration Payable					
Loan Taken					
Loan Given					
Rent Payable					
Maintenance Charges Payable					
Electricity Charges Payable					

## Restated Statement of Adjustments to Audited Financial Statements

**(i) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company

Particulars	For the period ended 31st December'23	For the year ended 31st March'23	For the year ended 31st March'22	For the year ended 31st March'21
Profit after tax as per audited/ re-audited financial statements	76.03	54.68	14.15	(0.14)
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-	-
<b>(ii) Other material adjustments:</b>	-	-	-	-
Employee benefit expenses - Gratuity	-	(0.64)	(0.36)	-
Depreciation and amortization expense	-	-	-	-
Finance cost	-	-	-	-
Income tax adjustments related to earlier years	-	0.16	(0.16)	-
Deferred tax adjustment	-	0.10	0.04	-
Preliminary Exps written off	(0.26)	-	-	-
<b>(iii) Audit Qualifications:</b>	-	-	-	-
<b>Restated profit after tax</b>	<b>75.77</b>	<b>54.30</b>	<b>13.67</b>	<b>(0.14)</b>
	75.77	54.30	13.67	0.14

**(ii) Reconciliation of Restated Shareholders Funds:**

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below.

Particulars	As at 31st December'23	As at 31st March'23	As at 31st March'22	As at 31st March'21
Shareholder's funds as per Audited/ Re-audited financial statements	141.18	71.21	16.53	2.38
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-	-
<b>(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	(0.86)	(0.48)	-	-
<b>(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	(0.26)	(0.38)	(0.48)	-
<b>(iv) Other material adjustments # :</b>	-	-	-	-
Employee benefit expenses	-	-	-	-
Gratuity Expenses of Earlier years	1.00	-	-	-
Depreciation and amortization expense	-	-	-	-
Finance cost	-	-	-	-
Income tax adjustments related to earlier years	0.05	-	(0.07)	-
Goodwill Written off	-	-	-	-
Deferred tax adjustment	-	-	-	-
Preliminary Exps Adjustment	-	-	0.07	-
<b>(v) Audit Qualifications:</b>	-	-	-	-
<b>Restated Shareholder's funds</b>	<b>141.11</b>	<b>70.35</b>	<b>16.05</b>	<b>2.38</b>

## STATEMENT OF CAPITALISATION

PARTICULARS	Pre-Offer 31.12.2023	Post-Offer 31.12.2023
<b>Debt</b>		
- Short Term Debt	-	-
- Long Term Debt	9.90	9.90
<b>Total Debt</b>	<b>9.90</b>	<b>9.90</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	93.00	135.20
- Reserves & Surplus	48.11	399.93
<b>Total Shareholders' Fund (Equity)</b>	<b>141.11</b>	<b>535.13</b>
<b>Long Term Debt / Equity (In Ratio)</b>	0.07	0.02
<b>Total Debt / Equity (In Ratio)</b>	0.07	0.02

**Notes:-**

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2023
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

## OTHER FINANCIAL INFORMATION

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Worth (A)	141.11	70.34	16.05	2.38
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	113.80	81.48	22.42	(0.14)
Restated Profit after tax	75.77	54.30	13.67	(0.14)
Add: Prior Period Item	-	-	-	-
Adjusted Profit after Tax(B)	75.77	54.30	13.67	(0.14)
Number of Equity Share outstanding as on the End of Year/Period (C)	9,30,000	30,000	30,000	30,000
Weighted average no of Equity shares as on the end of the period year(D)				
- Pre Bonus (D(i))	9,30,000	30,000	30,000	30,000
- Post Bonus (D(ii))	9,30,000	9,30,000	9,30,000	9,30,000
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D)				
- Pre Bonus (B/D(i))	8.15	180.99	45.56	(0.45)
- Post Bonus (B/D(ii))	8.15	5.84	1.47	(0.01)
Return on Net worth (%) (B/A)	53.69%	77.19%	85.17%	-5.71%
Net asset value per share (A/D(i)) (Pre Bonus)	15.17	234.48	53.50	7.93
Net asset value per share (A/D(ii)) (Post Bonus)	15.17	7.56	1.73	0.26

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

(ii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Net Worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net Worth of Equity Share Holders}}$$

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

6. The company issued 9,00,000 equity shares of Rs. 10/- each as bonus shares in the ratio of 30:1 vide EGM resolution passed on December 18,2023, effect of this bonus has been considered to calculate EPS.

Annexure XXX				
RESTATED STATEMENT OF TAX SHELTER				
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Profit/(Loss) before taxes (A)	103.10	73.37	18.47	(0.14)
Tax Rate Applicable %	26.00%	26.00%	26.00%	0.00%
Minimum Alternate Taxes (MAT)				19.06%
<b>Adjustments</b>				
Add: Depreciation as per Companies act	10.66	7.56	3.94	-
Add: Disallowance under Income Tax Act, 1961	2.81	0.64	0.36	-
Less: Taxable under other heads of income	-	-	-	-
Less: Depreciation as per Income Tax Act, 1961	13.13	8.08	4.14	-
Less: Deductions under Income Tax Act, 1961				
Less : Deferred Tax Credit Adjuted for computation of Tax under 115JB of Income Tax Act				-
<b>Net Adjustments(B)</b>	<b>0.34</b>	<b>0.13</b>	<b>0.16</b>	<b>-</b>
<b>Business Income (A+B)</b>	<b>103.44</b>	<b>73.50</b>	<b>18.63</b>	<b>(0.14)</b>
Income from Capital Gains				
Sale Consideration	-	-	-	-
Less: Cost of Acquisition	-	-	-	-
Long/ Short Term Capital Gain	-	-	-	-
Less: Brought Forward Capital Gain	-	-	-	-
Income from Other Sources (Interest Income)	-	-	-	-
Interest on Income Tax Refund	-	-	-	-
Interest on security Deposit	-	-	-	-
Damages and claims received	-	-	-	-
Gross Total/ Taxable Income	103.44	73.50	18.63	(0.14)
Less: Deductions U/S 80JJAA			-	
<b>Net Total/ Taxable Income</b>	<b>103.44</b>	<b>73.50</b>	<b>18.63</b>	<b>(0.14)</b>
Unabsorbed Depreciation	-	-		-
Tax Payable as per Normal Rate	26.90	19.11	4.84	-
Tax Payable as per Special Rate:	-	-	-	-
Interest payable on above	-	-	-	-
Tax as per Income Tax (C)	26.90	19.11	4.84	-
Adjusted Book Profits for Computation of MAT U/s 115JB				-
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	-	-	-	-
Interest Payable on above	-	-		-
Ta as per MAT (D)	-	-		-
<b>Net Tax (Higher of C &amp; D)</b>	<b>26.90</b>	<b>19.11</b>	<b>4.84</b>	<b>-</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>26.90</b>	<b>19.11</b>	<b>4.84</b>	<b>-</b>

RESTATED STATEMENT OF CONTINGENT LIABILITIES				
Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee (Financial)	NIL	NIL	NIL	NIL
Bank Guarantee (Performance)	NIL	NIL	NIL	NIL
Income Tax Demand	NIL	NIL	NIL	NIL
TDS Demand	NIL	NIL	NIL	NIL
Sales Tax Demand	-	-	-	-
Other moneys for which the Company is contingently liable	NIL	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL	NIL
<b>Total</b>		-	-	-

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, for the period ended December 31, 2023 and for the years ended March 31, 2023, 2022 and 2021 including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 25 and 19 respectively of this Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

Our Company was incorporated on December 22, 2017 under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares. The Corporate Identity Number of the company is U28129WB2017PTC224001. Our company is converted into public company on December 19, 2023 and fresh certificate of incorporation was issued bearing Corporate Identification Number U28129WB2017PLC224001.

We are into providing specialized services in the pre-treatment and of Powder Coating of aluminium Extrusions. The Services Offered by us includes Powder Coating, PVDF Coating, Wood Film Coating, Industrial Fabrication, etc. Our Company is an ISO 9001:2015 certified organization for Quality Management System. We are committed to provide quality work to our customers that meets the project standards and specifications for materials, workmanship, schedules and public service while maintaining profitability and competitiveness. Our Company has achieved a long standing customer base, which includes renowned private entities. We served various Companies like Infosys, Shyam Steel, Bandhan Bank, Merlin Elements, Ambey Gateways via our fabricators. While, we offer majority of our services in eastern India, however we gradually intend to expand our business operations domestically and internationally. We plan to diversify and expand our presence in other Indian states for the growth of our business.

### **Significant developments subsequent to the last financial year**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- *The company increased its's Authorised equity share capital from ₹10,00,000/- to ₹50,00,000/- vide resolution passed in its members meeting dated July 26, 2023.*
- *The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on December 13, 2023.*
- *The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on December 18, 2023.*
- *Our Company was converted from a private limited company to public limited company vide resolution passed in its members meeting dated October 24, 2023 and a fresh certificate of incorporation consequent to conversion was issued on December 19, 2023 by the Registrar of Companies, Kolkata bearing Corporate Identification Number U28129WB2017PLC224001*
- *The Company issued 9,00,000 bonus Equity Shares in the proportion of 30:1 (Thirty) fully paid equity share of ₹10.00 each allotted against 1(One) Equity Shares of ₹10.00 each vide resolution passed in its members meeting dated December 18, 2023.*



## Factors affecting our results of operations

Our company's future results of operations could be affected potentially by the following factors:

1. Strong execution capabilities with industry experience
2. Existing client relationship
3. Quality Assurance
4. Experienced management team

The following table set forth certain key performance indicators for the years indicated:

### Key Performance Indicators of Our Company

		(Rs. in Lakhs)			
Key Performance	Financial	For Period ended December 31, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>		397.00	358.94	139.41	0.00
EBITDA <sup>(2)</sup>		113.80	81.48	22.42	(0.14)
EBITDA Margin <sup>(3)</sup>		28.67%	22.70%	16.08%	-
PAT		75.77	54.30	13.67	(0.14)
PAT Margin <sup>(4)</sup>		19.08%	15.13%	9.80%	-
Networth <sup>(5)</sup>		141.11	70.34	16.05	2.38
RoE % <sup>(6)</sup>		71.66%	125.69%	148.34%	(5.55)%
RoCE% <sup>(7)</sup>		68.30%	92.11%	70.66%	(5.27)%

#### Notes:

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

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term borrowings.

### Explanations for KPI Metrics

KPI	Explanation
Revenue from Operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our 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.
RoE%	RoE provides how efficiently our Company generates profits from Shareholders' Funds
RoCE%	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

## STATEMENT OF SIGNIFICANT POLICIES

### Corporate Information:

The company was originally formed & incorporated as a Private Limited Company at Kolkata, West Bengal under the Companies Act, 2013 under the name of “Associated Coaters Private Limited” vide certificate of incorporation dated December 22, 2017 bearing Corporate Identity Number U28129WB2017PTC224001 issued by the Registrar of Companies, Kolkata, West Bengal. Subsequently, our company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on October 25, 2023 and the name of the company was changed to "Associated Coaters Limited" pursuant to issuance of Fresh Certificate of Incorporation dated December 19, 2023 by Registrar of Companies, Kolkata, West Bengal. The Corporate Identification Number of our company U28129WB2017PLC224001.

The company is mainly engaged in the business specializing in the pretreatment, powder coating, wood coating & PVDF coating on Metals, majorly being aluminium extrusions.

### Note 1- Significant Accounting Policies:

#### 1.1 Basis of preparation of financial statements

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.

#### 1.2 Use of Estimates

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 recognized prospectively in current and future periods.

#### 1.3 Revenue Recognition

- (a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- (b) Sales are recognized on accrual basis, and only after transfer of goods or services to the customer.
- (c) Dividend on Investments are recognized on receipt basis.
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### 1.4 Property, Plant & Equipment and Intangible Assets & Depreciation

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. 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.

#### 1.5 Depreciation of Tangible Assets

Depreciation on tangible property, plant & equipment is charged on written down value of the asset as per the Companies Act, 2013. Depreciation on assets purchased/acquired during the year is charged from the date of purchase/acquisition of the asset or from the day the asset is ready for its intended use. Similarly, depreciation on assets sold/discarded during the year is charged up to the date when the asset is sold/discarded

#### 1.6 Investments

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 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. 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.

#### 1.7 Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset might be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash flows from other assets or other group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting period may no longer exist or may have decreased.

#### 1.8 Inventories

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is FIFO. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

#### 1.9 Investments

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

#### 1.10 Employee Benefit Expenses

##### 1) Short term employee benefits

Short term employee benefits are recognized 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 recognized as expenses in the period in which the employee renders the related service.

##### 2) (a) Defined Contribution Plan:

The Company has Defined Contribution Plans for Post-employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

##### (b) Defined Benefit Plan:

Unfunded Plan: 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.

#### 1.11 Borrowing Cost

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, up to 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.

#### 1.12 Taxes on Income

Tax expense for the year comprising current tax & 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 & 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 recognized 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 recognized. 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.

#### 1.13 Earnings per Share (EPS)

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. 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.

#### 1.14 Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

#### 1.15 Provisions, Contingent Liabilities and Contingent Assets

##### Provisions:

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.

##### Contingent Liability:

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.

##### Contingent Assets:

Contingent Assets are neither recognized nor disclosed in the financial statements.

#### 1.16 Segment Reporting

The Company is operating in only one segment. Hence Segment reporting is not applicable.

#### 1.17 Cash and Cash Equivalents

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.

#### 1.18 Changes in Accounting Policies in the Period/Years Covered in The Restated Financial Statements

There is no change in significant accounting policies adopted by the Company.

#### 1.19 Other Notes on Restated Financial statements

- a) 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.
- b) 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.
- c) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- d) 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.
- e) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- f) 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.
- g) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- h) Amounts in the restated standalone financial statements: Amounts in the restated standalone financial statements are rounded off to nearest Lakhs. Figures in brackets indicate negative values

### Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the period ended December 31, 2023 and year ended on March, 31 2023, 2022 and 2021.

### Results of Our Standalone Operations

The following table sets forth select financial data from our financial statements as restated of profit and loss for the period ended December 31, 2023 and financial years ended on March 31, 2023, 2022 and 2021 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	31-12-2023	% of total income	31-03-2023	% of total income	31-03-2022	% of total income	31-03-2021	% of total income
Revenue from Operations	397.00	100.00 %	358.94	100.00 %	139.41	100.00 %	-	-
Other income	-	-	-	-	-	-	-	-
<b>Total Revenue (A)</b>	<b>397.00</b>	<b>100%</b>	<b>358.94</b>	<b>100.00 %</b>	<b>139.41</b>	<b>100.00 %</b>	-	-
<b>Expenses:</b>								
Cost of Operations	259.44	65.35%	236.57	65.91%	103.57	74.29%	-	-
Employee benefits expense	9.07	2.28%	22.17	6.18%	10.36	7.43%	-	-
Other expenses	14.68	3.70%	18.73	5.22%	3.07	2.20%	0.14	-

<b>Total Expenses (B)</b>	<b>283.20</b>	<b>71.33%</b>	<b>277.46</b>	<b>77.30%</b>	<b>117.00</b>	<b>83.92%</b>	<b>0.14</b>	<b>-</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization(C=A-B)</b>	<b>113.80</b>	<b>28.67%</b>	<b>81.48</b>	<b>22.70%</b>	<b>22.41</b>	<b>16.08%</b>	<b>(0.14)</b>	<b>-</b>
Finance costs (D)	0.04	0.01%	0.54	0.15%	0.01	0.00%	-	-
Depreciation and amortization expenses (E)	10.66	2.69%	7.56	2.11%	3.94	2.82%	-	-
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>103.10</b>	<b>25.97%</b>	<b>73.37</b>	<b>20.44%</b>	<b>18.47</b>	<b>13.25%</b>	<b>(0.14)</b>	<b>-</b>
<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit before tax (F=C-D-E)</b>	<b>103.10</b>	<b>25.97%</b>	<b>73.37</b>	<b>20.44%</b>	<b>18.47</b>	<b>13.25%</b>	<b>(0.14)</b>	<b>-</b>
<b>Tax Expenses</b>								
- Current Tax	26.90	6.77%	19.11	5.32%	4.84	3.47%	-	-
- Deferred Tax	0.44	0.11%	(0.03)	(0.01)%	(0.04)	(0.03)%	-	-
<b>Tax Expense For The Year (G)</b>	<b>27.33</b>	<b>6.89%</b>	<b>19.08</b>	<b>5.31%</b>	<b>4.80</b>	<b>3.44%</b>	<b>-</b>	<b>-</b>
<b>Profit after tax (H=F-G)</b>	<b>75.77</b>	<b>19.08%</b>	<b>54.30</b>	<b>15.13%</b>	<b>13.66</b>	<b>9.80%</b>	<b>(0.14)</b>	<b>-</b>

## Overview of Revenue and expenditure

### Revenue and Expenditure

*Total Revenue:* Our total revenue comprises of revenue from operations.

*Revenue from operations:* Our revenue from operations comprises of Sale of Services.

*Expenses:* Our expenses comprise of Cost of Operation, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

*Cost of Operation:* Our Cost of Operation comprises of Purchases of Raw Material, Purchases of consumables and Manufacturing Expenses.

*Employee Benefit Expenses:* Our employee benefit expense consists of Salaries & Wages, Staff Welfare Expenses, Directors Remuneration, Contribution to ESI & PF and Gratuity Expenses.

*Finance Cost:* Our finance costs comprise of Other Finance Charges.

*Depreciation and amortisation expenses:* Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets.

*Other expenses:* Other expenses include Advertisement Expenses, Auditors Remuneration, Carriage outward, Preliminary expenses written off, Profession tax, Office & expenses, Round Off, Transportation charges, Interest & Late fee, Insurance Expenses, Legal & Professional Fees, Printing & Stationery Expenses, Rates & Taxes, Repair & Maintenance Cost, Accounting Charges, Telephone Expenses, Trade Mark Expenses, Travelling & Conveyance Expenses and Other General Expenses.

*Exceptional Items:* There are no exceptional items.

*Provision for Tax:* Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax, as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## **DISCUSSION OF PERIOD ENDED DECEMBER 31, 2023**

### ***Income***

Our Total Income for the period ended December 31, 2023 was ₹397 lakhs which comprises of Revenue from Operations.

### ***Revenue from operations***

Our Revenue from operations for the period ended December 31, 2023 was ₹397 lakhs.

### ***Other Income***

There is no Other Income for the period ended December 31, 2023.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹ 283.2 lakhs for the period ended December 31, 2023 due to the factors described below: -

### ***Cost of Operations***

Our Cost of Operations is ₹ 259.44 Lakhs for the period ended December 31, 2023 comprising of Purchase of Raw Material & Consumable and Other Manufacturing Expenses.

### ***Employee benefits expenses***

Our employee benefit expenses are ₹ 9.07 Lakhs for the period ended December 31, 2023 comprising of Salaries and Wages, Directors Remuneration, Contribution to provident and other funds, Staff Welfare Expenses and Gratuity Expenses.

### ***Finance costs***

Our finance cost is ₹ 0.04 Lakhs for the period ended December 31, 2023 comprising of Bank Charges.

### ***Depreciation and amortization expense***

Our depreciation for the period ended December 31, 2023 is ₹ 10.66 Lakhs.

### ***Other expenses***

Our other expenses incurred during the period ended December 31, 2023 is ₹ 14.68 Lakhs which comprises of Advertisement Expenses, Auditor's Remuneration, Carriage Outward, Professional Tax, Office Expenses, Interest and Late Fees, Insurance Expenses, Legal and Professional Fees, Printing & Stationery, Repairs and Maintenance, Accounting Charges, Travelling and Conveyance Expenses and Other General Expenses.

### ***Exceptional Items***

There are no exceptional items for the period ended December 31, 2023.

### ***Profit before tax***

Our profit before tax stands at ₹ 103.10 Lakhs for the period ended December 31, 2023.

### ***Tax expenses***



Our tax expenses for the period ended December 31, 2023 amounted to ₹ 27.33 Lakhs which includes current tax and deferred tax expenses.

### ***Profit After Tax***

Our profit after tax stands at ₹ 75.77 Lakhs for the period ended December 31, 2023.

## **COMPARISON OF FY 2022-23 WITH FY 2021-22**

### ***Income***

Our total revenue increased by ₹ 219.53 Lakhs or 157.47 % to ₹358.94 Lakh for the financial year 2022-23 from ₹139.41 Lakh for the financial year 2021-22 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations is ₹358.94 Lakhs for the financial year 2022-23 as compared to ₹139.41 Lakhs for the financial year 2021-22 representing an incline of 157.47% on account of increase in expansion of business.

### ***Other Income***

There were no Other Income in Financial Year 2022-23 and 2021-22.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹277.46 Lakhs for the financial year 2022-23 as compared to ₹117.00 Lakhs for the financial year 2021-22 representing an increase of 137.14% due to the factors described below: -

### ***Cost of Operations***

Our Total Cost of Operations is ₹236.57 Lakhs for the financial year 2022-23 as compared to ₹103.57 Lakhs for the financial year 2021-22 representing an increase of 128.41% due to increase in our scale of operation.

### ***Employee benefits expenses***

Our employee benefit expenses are ₹22.17 Lakhs for the financial year 2022-23 as compared to ₹10.36 Lakhs for the financial year 2021-22 representing an increase of 113.96% due to increase in Salaries and Wages, Directors Remuneration, Contribution to Provident Fund and ESIC, Gratuity Expenses.

### ***Finance costs***

Our finance cost is ₹0.54 Lakhs for the financial year 2022-23 as compared to ₹0.01 Lakhs for the financial year 2021-22 representing an increase in Bank Charges.

### ***Depreciation and amortization expense***

Our depreciation increased by 92.14% to ₹7.56 Lakhs for the financial year 2022-23 from ₹3.94 Lakhs for the financial year 2021-22 due to Purchase and time proportion of assets.

### ***Other expenses***

Our other expenses increased by 509.59% to ₹18.73 Lakhs for the financial year 2022-23 from ₹3.07 Lakhs for the financial year 2021-22, which is 5.22% and 2.20% of the total revenue of respective years. The increase was mainly due to increase in Advertisement Expense, Office Expenses, Transportation Charges, Legal & Professional Fees, Printing & Stationery Expenses, Repairs and Maintenance, Accounting Charges, Travelling & Conveyance Expenses, Other General Expenses which was partially set off with Decrease in Expenses Written off, Professional Tax, Insurance Expenses, Rates & Taxes .

### ***Profit before tax***

Our profit before tax increased by 297.31% to ₹73.37 Lakhs for the financial year 2022-23 from ₹18.47 Lakhs for the financial year 2021-22. The increase was mainly due to the factors described above.

### ***Tax expenses***

Our tax expenses for the financial year 2022-23 amounted to ₹19.08 Lakhs as against tax expenses of ₹4.80 Lakhs for the financial year 2021-22. The net increase of ₹14.27 is on account of increase in Current tax and Deferred Tax.

### ***Profit After Tax***

Our profit after tax increased by 297.34% to ₹54.30 Lakhs for the financial year 2022-23 from ₹13.66 Lakhs for the financial year 2021-22, reflecting a net increase of ₹40.63 Lakhs due to aforementioned reasons.

## **COMPARISON OF FY 2021-22 WITH FY 2020-21**

### ***Income***

There increase of ₹139.41 Lakhs in Total Income in financial year 2021-22 as compared to no income in financial year 2020-21 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations in financial year 2020-21 was ₹0 Lakhs which was further increased to ₹139.41 Lakhs in financial year 2021-22 due to expansion of business.

### ***Other Income***

There were no Other Income in both the years.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹117.00 Lakhs for the financial year 2021-22 as compared to ₹0.14 Lakhs for the financial year 2020-21 representing an increase of 85931.52% due to the factors described below:-

### ***Cost of Operations***

Our *Cost of Operations* is ₹103.57 Lakhs for the financial year 2021-22 as compared to nil for the financial year 2020-21. The net increase of ₹103.57 Lakhs was due to Increase in operations.

### ***Employee benefits expenses***

Our employee benefit expenses is ₹10.36 Lakhs for the financial year 2021-22 as compared to ₹0 Lakhs for the financial year 2020-21 due to Increase Salaries & wages, Contribution to provident and ESIC, Gratuity Expenses, Directors Remuneration.

### ***Finance costs***

Our Finance Cost for financial year 2021-22 is ₹0.01 Lakhs and 2020-21 is nil.

### ***Depreciation and amortization expense***

Our depreciation increased to ₹3.94 Lakhs for the financial year 2021-22 from nil for the financial year 2020-21 due to Increase in Assets of the company.

### ***Other expenses***

Our other expenses increased by 2158.88% to ₹3.07 Lakhs for the financial year 2021-22 from ₹0.14 Lakhs for the financial year 2020-21. The increase was mainly due to increase in Advertisement Expense, Auditors Remuneration, Office Expenses, Professional Tax, Insurance Expenses, Legal & Professional Fees, Printing & Stationery Expenses, Rates and Taxes, Repairs and Maintenance, Accounting Charges, Telephone Expenses, Travelling & Conveyance Expenses, Other General Expenses.

### ***Exceptional Items***

There are no exceptional item of in the financial year 2020-21 & 2021-22.

### **Profit before tax**

Our profit before tax increased by 13678.96% to ₹18.47 Lakhs for the financial year 2021-22 from ₹(0.14) Lakhs for the financial year 2020-21. The increase was mainly due to the factors described above.

### **Tax expenses**

Our tax expenses for the financial year 2021-22 amounted to ₹4.80 Lakhs as against tax expenses of ₹0 Lakhs for the financial year 2020-21. The net increase is on account of increase in Current tax and Deferred Tax.

### **Profit After Tax**

Our profit after tax increased by 10147.71% to ₹13.66 Lakhs for the financial year 2021-22 from ₹(0.14) Lakhs for the financial year 2020-21 due to aforementioned reasons.

### **Changes in Cash Flows**

The table below summaries our cash flows from our Restated Financial Statements for the period ended December 31, 2023 and financial years ended March 31, 2023, 2022 and 2021:

Particulars	(₹ in Lakh)			
	For the year ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash (used in)/ generated from operating Activities	26.66	62.81	51.56	-
Net cash (used in)/ generated from investing Activities	(49.50)	(3.33)	(55.97)	-
Net cash (used in)/ generated from financing Activities	(5.04)	(0.74)	9.89	-
Net increase/ (decrease) in cash and cash Equivalents	(27.88)	58.73	5.48	-
Cash and Cash Equivalents at the beginning of the period	66.87	8.14	2.65	2.65
Cash and Cash Equivalents at the end of the Period	38.99	66.87	8.14	2.65

### **Operating Activities**

#### **Period ended December 31, 2023**

Our net cash generated in operating activities was ₹ 26.66 Lakhs for the period ended December 31, 2023. Our operating profit before working capital changes was ₹ 114.58 Lakhs for the period ended December 31, 2023 which was primarily adjusted against increase in Inventories ₹ 5.60, increase in trade receivables by ₹ 60.83 Lakhs, decrease in Short Term Loans & Advances ₹ 9.41 Lakhs, increase in Other Current Assets by ₹ 00.72 Lakhs, increase in Trade payable ₹57.67 Lakhs, decrease in other current liabilities by ₹ 68.65 Lakhs which was further decreased by payment of Income Tax of ₹ 19.20 Lakhs.

#### **Financial year 2022-23**

Our net cash generated in operating activities was ₹62.81 Lakhs for the period ended March 31, 2023. Our operating profit before working capital changes was ₹81.49 Lakhs for the financial year 2022-23 which was primarily adjusted against increase in Inventories ₹1.08, increase in trade receivables by ₹15.04 Lakhs, increase in Short Term Loans &

Advances ₹19.55 Lakhs, increase in Other Current Assets by ₹4.10 Lakhs, increase in Trade payable ₹4.01 Lakhs, increase in other current liabilities by ₹21.13 Lakhs which was further decreased by payment of Income Tax of ₹4.68 Lakhs.

#### **Financial year 2021-22**

Our net generated used in operating activities was ₹ 51.56 Lakhs for the period ended March 31, 2022. Our operating profit before working capital changes was ₹22.85 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in inventories by ₹2.85 Lakhs, increase in trade receivables by ₹135.87 Lakhs, increase in Short Term Loans & Advances by ₹ 0.02 Lakhs, increase in Other Current Assets by ₹2.86 Lakhs, increase in trade payables by ₹97.62 Lakhs, increase in other current liabilities by ₹72.70 Lakhs.

#### **Financial year 2020-21**

Our net cash used in operating activities was ₹0 Lakhs for the period ended March 31, 2021. Our operating profit before working capital changes was ₹(0.06) Lakhs for the financial year 2020-21 which was primarily adjusted against increase in other current liabilities by ₹0.06 Lakhs.

#### **Investing Activities**

##### **Period ended December 31, 2023**

Our net cash utilised in investing activities was ₹ 49.50 Lakhs for the period ending December 31, 2023. These were on account of Purchase of Property, Plant & Equipment of ₹ 47 Lakhs and increase in Other non current assets of ₹ 2.51 Lakhs.

##### **Financial year 2022-23**

Our net cash used from investing activities was ₹(3.33) Lakhs for the financial year 2022-23. These were on account of Purchase of Property, Plant & Equipment of ₹3.33 Lakhs

##### **Financial year 2021-22**

Our net cash used from investing activities was ₹(55.97) Lakhs for the financial year 2021-22. These were on account of Purchase of Property, Plant & Equipment of ₹55.97 Lakhs.

##### **Financial year 2020-21**

There was no net cash from investing activities in financials in 2020-21

#### **Financing Activities**

##### **Period ended December 31, 2023**

Net cash utilised in financing activities for the period ending December 31, 2023 was ₹ 5.04 Lakhs which was primarily on account of Finance cost of ₹ 0.04 Lakhs and IPO Expenses of ₹ 5.00 Lakhs.

##### **Financial year 2022-23**

Net cash used in financing activities for the financial year March 31, 2023 was ₹0.74 Lakhs which was primarily on account of Finance cost ₹0.54 Lakhs and repayment of Long-Term Borrowings of ₹0.20 Lakhs.

##### **Financial year 2021-22**

Net cash used in financing activities for the financial year March 31, 2022 was ₹9.89 Lakhs which was on account of Finance Cost of ₹0.01 Lakhs and increase in Long Term Borrowings of ₹9.90 Lakhs.

##### **Financial year 2020-21**

There was no net cash used in financing activities for the financial year March 31, 2021.

## Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the period ended December 31, 2023 and financial years ended March 31, 2023, 2022 and 2021:

Particulars	For the year ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Fixed Asset Turnover Ratio	4.72	7.51	2.68	-
Current Ratio	1.31	1.16	0.85	18.94
Debt Equity Ratio	0.07	0.14	0.63	0.08
Inventory Turnover Ratio	38.57	69.85	72.78	-

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

**Inventory Turnover Ratio:** This is defined as average inventory divided by cost of operations based on Financial Statements as restated.

## Financial Indebtedness

As on December 31, 2023, the total outstanding borrowings of our Company is ₹ 9.90 Lakhs. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page 145 of this Prospectus.

*(₹in Lakh)*

Particulars	As at December 31, 2023
Loans from Banks & Financial Institutions	-
Unsecured Loans from directors	9.90
<b>Total</b>	<b>9.90</b>

## Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 144 of this Prospectus.

## Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

## Qualitative Disclosure about Market Risk

### Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

### Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

### Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

#### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 144 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on 144 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

#### **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS**

##### **Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

##### **Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

##### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the chapter titled “*Risk Factors*” beginning on 25 of this Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

##### **Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

##### **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

##### **Total turnover of each major industry segment in which the Issuer Company operates**

The company is mainly engaged in the business specializing in the pretreatment, powder coating, wood coating & PVDF coating on Metals, majorly being aluminium extrusions. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on 84 of this Prospectus.

##### **Competitive Conditions**

We have competition with Indian and international manufacturing companies and our results of operations could be affected by competition in the manufacturing industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/ entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “**Risk Factors**” beginning on 25 of this Prospectus.

#### **Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “**Risk Factors**” beginning on 25 of this Prospectus.

#### **Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new business segments.



### STATEMENT OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “ASSOCIATED COATERS LIMITED” as on December 31, 2023 is as under:

#### UNSECURED LOANS FROM FINANCIALS INSTITUTIONS

Name of Lender	Purpose	Rate of Interest	Repayment Terms	Outstanding as on 31.12.2023 (Rs. In Lakhs)	Outstanding as on 30.04.2024 (Rs. In Lakhs)
Inventure Financial Limited	Working Capital Loan	12%	Repayable on Demand	NIL	25

#### UNSECURED LOANS FROM OTHERS:

Name of Lender	Amount Outstanding as on 31.12.2023 (Rs. In Lakhs)
<b>From Directors and Shareholders</b>	
Jagjit Singh Dhillon	9.90
<b>Total</b>	<b>9.90</b>

## **SECTION X: LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to Direct and Indirect Taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“Materiality Policy”), in each case involving our Company, Promoters, Directors, and Group Company (if any), (the “Relevant Parties”).

For the purpose of (V) above, our Board in its meeting held on December 22, 2023, has considered and adopted a ‘**Policy of Materiality**’ for identification and determination of whether a particular event / information is material litigation involving the Relevant Parties by computing its 'quantitative' or 'qualitative' criteria(s).

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

the monetary amount of claim by or against the entity or person in any such pending matter exceed ₹ 10.00 Lakhs (Rupees Ten Lakhs only); and

the Board or any of its committees shall have the power and authority to determine 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 committees.

Our Board, in its meeting held on December 22, 2023, determined that outstanding dues to creditors in excess of 10 lakhs shall be considered as material dues (“Material Dues”)

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

### **CONTINGENT LIABILITIES OF OUR COMPANY**

our Company has no Contingent Liabilities

#### **A. LITIGATION INVOLVING OUR COMPANY**

##### **Litigation against Our Company:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company in the last five financial years including outstanding action:**

Nil

**(iv). Wilful Defaulter:**

Nil

**(v). Claims related to Direct and Indirect Taxes:**

- **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized

Nil

- **Income Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Company are still outstanding:

Nil

- **Tax Deducted at Source (TDS): NIL**

Nil

**(vi). Other pending litigations as per the policy of materiality defined by the Board of Directors of our Company:**

Nil

**Litigation by Our Company**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to Direct and Indirect Taxes:**

Nil

**(v). Other pending litigations - As per the policy of materiality defined by the Board of Directors of our Company:**

Nil

**B. LITIGATION INVOLVING OUR PROMOTER**

**Litigation against Our Promoter**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding action:**

Nil

**(iv). Wilful Defaulters:**

Nil

**(v). Claims related to Direct and Indirect Taxes:**

Nil

● **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

Nil

● **Income Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

Nil

● **Tax Deducted at Source (TDS):**

Nil

● **Indirect Tax: NIL**

**(vi). Other pending litigations – As per the policy of materiality defined by the board of directors of our Company:**

Nil

**Litigation by Our Promoters**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to Direct and Indirect Taxes:**

Nil

**(v). Other pending litigations – As per the policy of materiality defined by the Board of Directors of our Company:**

Nil

**C. LITIGATION INVOLVING OUR DIRECTORS**

**Litigation against Our Directors**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against our directors in the last five financial years including outstanding action:**

Nil

**(iv). Wilful Defaulters:**

None of our Directors' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

**(v). Claims related to Direct and Indirect Taxes:**

● **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

Nil

● **Income Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Promoters are still outstanding:

Nil

● **Tax Deducted at Source (TDS):**

Nil

**(vi). Other pending litigations – As per the policy of materiality defined by the Board of Directors of our Company:**

Nil

**Litigation by Our Directors**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against the directors in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to Direct and Indirect Taxes:**

Nil

**(v). Other pending litigations - As per the policy of materiality defined by the Board of Directors of our Company:**

Nil

**D. LITIGATION INVOLVING OUR GROUP COMPANIES / ENTITIES:**

**Litigation against Our Group Companies / Entities:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against our directors in the last five financial years including outstanding action:**

Nil

**(iv). Wilful Defaulters:**

None of our Group Companies' appears on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

**(v). Claims related to Direct and Indirect Taxes:**

● **Direct Tax:**

As per website of Income Tax, the following e-proceedings are shown as pending with "open" or "pending" status. However, the amount has not been mentioned and cannot be crystallized:

Nil

● **Indirect Tax:**

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Promoters are still outstanding:

Nil

**(vi). Other pending litigations – As per the policy of materiality defined by the board of directors of our Company:**

Nil

**Litigation by Our Group Companies / Entities:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or stock exchanges against the directors in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to Direct and Indirect Taxes:**

Nil

- (v). **Other pending litigations – As per the policy of materiality defined by the Board of Directors of our Company:**

Nil

**LITIGATION INVOLVING OUR SUBSIDIARIES:**

As on date of this Prospectus, the Issuer Company does not have any Subsidiary Company.

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 147 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO CREDITORS**

In accordance with our Company’s materiality policy dated December 22, 2023, below are the details of the Creditors where there are outstanding amounts as on December 31, 2023:

<b>Sr No.</b>	<b>Particulars</b>	<b>Amount (Rs. in Lakhs)</b>
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	19.45
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	139.84
	<b>Total</b>	<b>159.29</b>

The details pertaining to amounts due towards the material creditor is available on the website of our Company at [www.associatedcoaters.in](http://www.associatedcoaters.in)

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, [www.associatedcoaters.in](http://www.associatedcoaters.in) would be doing so at their own risk



## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government, various Government agencies and other statutory and / or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of Powder Coating, we require various approvals and / or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “*Key Industry Regulations and Policies*” on page 114 of this Prospectus.

The Company has its business located at:

**Registered Office:** Ashuti Khanberia Maheshstala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India, 700041

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### APPROVALS FOR THE ISSUE

#### 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 December 13, 2023, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on December 18, 2023 authorized the Issue.

#### In-principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated April 1, 2024 bearing reference no. LO\SME-IPO\PG\IP\2\2024-25.

#### Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated October 11, 2023 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Big Share Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated October 11, 2023 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Big Share Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE0RIQ01013.

#### LENDERS CONSENT

1. Our Company has received the consent letter from its only Lender M/s Inventure Finance Private Limited dated May 15, 2024.

#### INCORPORATION AND OTHER DETAILS

Company was originally incorporated as ‘ASSOCIATED COATERS PRIVATE LIMITED’ a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Kolkata pursuant to Certificate of Incorporation dated December 22, 2017. The name of the company was changed from ‘ASSOCIATED COATERS PRIVATE LIMITED’ to ‘ASSOCIATED COATERS LIMITED’, consequent to conversion of our company from private limited company to

public limited company, pursuant to Special Resolution passed by the shareholders of our Company in the Extra-ordinary General Meeting held on October 24, 2023, and a fresh certificate of incorporation consequent to change of name was issued by ROC, Kolkata on December 19, 2023. The corporate identification number of our company is U28129WB2017PLC224001.

#### APPROVALS / LICENSES RELATED TO OUR BUSINESS ACTIVITIES

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:

Sr. No.	Description	Authority	Registration No. / Reference No. / License No.	Date of Issue	Date of Expiry
1	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-WB-10-0081667	July 13, 2023	N.A

#### TAX RELATED APPROVALS / LICENSES / REGISTRATIONS\*

Sr. No.	Authorisation granted	Issuing Authority	Registration No. / Reference No. / License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAQCA3584L	December 22, 2017	Perpetual
2	Tax Deduction Account Number (TAN). Amendment with respect to Conversion of private limited to public Limited is yet to be done	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	CALA22252G	December 22, 2017	Perpetual
3	Goods and Service Tax Identification Number	Assistant Commissioner, Goods and Service Tax Network 04, Government of India	19AAQCA3584L1ZX	September 02, 2021	One Time Registration
4	Certificate of Enrolment under West State Tax on Profession, Trades, Callings and Employment Rules, 1979	West Bengal Central Unit- VI, Behala	192136645327	March 18, 2021	July 31, 2024

#### LABOUR RELATED APPROVALS/REGISTRATIONS\*

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	WBCAL3024242000	August 02, 2023
2	Registration under Employees State Insurance Act, 1948	Assistant Director, Employees State Insurance Corporation	41000580830000904	August 04, 2014


**OTHER BUSINESS-RELATED APPROVALS\***

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	ISO 9001:2015	Quality Management System	QACS-UAF-Q-AC-10.23.1049	December 06, 2023	December 05, 2026
2	Trade License- (Unit I)	Ashuti-J Gram Panchayat	Trade Registration No.: A-IGP/1163/2021-2022 Trade Registration Certificate Issue No.: 157/2023-2024	December 23, 2023 July 17, 2023	Valid upto March 31, 2024
3	Trade License- B-57/1 (Unit II)	West Bengal Municipal Act, 1993	Certificate No. 0917P2657123277059	December 28, 2023	Valid until December 27, 2024
4	Trade License- B/69 (Unit III)	West Bengal Municipal Act, 1993	Certificate No. 0917P2657123277054	December 28, 2023	Valid until 27.12.2024

Some of the above-mentioned approvals are in the previous name of the Company i.e., Associated Coaters Private Limited. The Company is in the process of changing its name from Associated Coaters Private Limited to Associated Coaters Limited in all its approvals.

**INTELLECTUAL PROPERTY RIGHTS**
**TRADEMARKS**

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr. No.	Particulars of the mark	Application No.	Class	Registration/ Application date	Status/ Validity
1		O-0003498359	41	December 28, 2023	Pending
2.	The wordmark “Associated Coaters”	O-0003498359	41	December 28, 2023	Pending

**THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:**

Domain Names. No.	Domain ID	Registered IANA ID	Registry Expiry Date
associatedcoaters.in	D0CD476BE8B964E54B362A6A1362D73AB-IN	801217	December 14, 2024

**PENDING APPROVALS:**

Sr. No	Particulars	Status	Reference Number
1	Factory Licence (Registered Office)	Applied on 23.12.2023	CAF2023766539
2	Factory Licence (Unit II)	Yet to Apply	
3	Factory Licence (Unit II)	Yet to Apply	
4	PAN	Applied on 23.12.2023	N-882039247240115
5	GST	Amendment in office address added	
6	Fire License		

	B2-69 (Unit III)	Applied on 13.12.2023	DN/GFL/0125182231200582
	B1-57 (Unit II)	Applied on 28.12.2023	125182231200613
7	Pollution License		
	B1-57 (Unit II)	Applied on 28.12.2023	4599307
	B2-69 (Unit III)	Applied on 28.12.2023	4598456

**MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY:**

Company is yet to apply for Shops and Establishment, Factory Licences for two units.

## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company (other than promoter(s) and subsidiary / subsidiaries) with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Company as considered material by our Board.

Further, pursuant to a resolution of our Board dated December 22, 2023 for the purpose of disclosure in relation to Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions: -

a) The companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“Restated Financial Statements”); or

b) if such company fulfils both the below mentioned conditions: -

i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR) Regulations; and

ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, there are no company / entity falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company / entity (“Group Company”).

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorized pursuant to the resolution passed by the Board of Directors dated December 22, 2023 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated December 26, 2023 under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary.

### **IN PRINCIPLE LISTING APPROVALS**

Our Company has obtained in-principal approval from the SME Platform of BSE Limited for using its name in this Prospectus pursuant to an approval letter dated April 01, 2024 from BSE Limited is the Designated Stock Exchange.

The Draft Prospectus has been approved by our Board pursuant to a resolution dated December 30, 2023

The Prospectus has been approved by our Board pursuant to a resolution dated May 24, 2024

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- 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.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### **PROHIBITION BY RBI**

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers. 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 chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 161 of this Prospectus.

### **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

### **DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET**

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is an “*unlisted issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offer*” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(1) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital shall not be more than ₹ 10 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”).

**We confirm that:**

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to chapter titled “**General Information**” beginning on page 50 of this Prospectus.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “**General Information**” beginning on page 50 and details of the Market Making Arrangements for this please refer to chapter titled “**The Issue**” beginning on page 45 of this 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 refunded forthwith. If such money is not repaid within eight 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 working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. 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.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was originally incorporated as ‘Associated Coaters Private Limited’ a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Kolkata on December 22, 2017.
2. Our company has been funded by Inventure Finance Private Limited which makes it eligible for Listing on BSE SME as per the guidelines of BSE SME.
3. Our Company is engaged in the business of Powder Coating of aluminium extrusions.
4. The Paid-up Capital of the Company is ₹ 93.00 Lakh comprising 9,30,000 equity shares.
5. The Post Issue Paid up Capital (Face Value) of the company will be ₹ 135.20 Lakh comprising 13,52,000 Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid up Capital shall not be more than Ten Crore.
6. The Net worth, Cash Accruals and Net Tangible Assets of the Company as per the Restated Financial Statements of our Company for the period ended on December 31, 2023 and Financial Year ended on March 31, 2023; 2022 and 2021 are as set forth below:

**(₹ in Lakhs)**

Particulars	For the period ended on December 31, 2023	For the financial year ended on March 30		
		2023	2022	2021
Networth <sup>(1)</sup>	141.11	70.34	16.05	2.38
Cash Accruals <sup>(2)</sup>	113.80	81.48	22.42	(0.14)
Net Tangible Assets <sup>(3)</sup>	364.74	296.12	201.81	2.72

<sup>(1)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(2)</sup> Cash accruals has been defined as the Earnings before depreciation and tax from operations.

<sup>(3)</sup> Net Tangible Assets are defined as the sum of total assets minus intangible assets



7. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated October 11, 2023 and National Securities Depository Limited (NSDL) dated October 11, 2023 for dematerialization of its Equity Shares already issued and proposed to be issued.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform of BSE Limited.
14. The Company has a website [www.associatedcoaters.in](http://www.associatedcoaters.in)
15. We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
16. We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 24, 2024.**

**THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE**

**PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.**

**Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in this Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kolkata in terms of Section 26 and 32 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Prospectus or, in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.associatedcoaters.in](http://www.associatedcoaters.in) 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 dated December 23, 2024 and addendum to the issuer agreement dated May 13, 2024, entered between the Lead Manager to the Issue and our Company and the Underwriting Agreement and addendum to underwriter agreement dated December 23, 2023 and May 13, 2024 entered into between the Underwriters and our Company and the Market Making Agreement and addendum to market making agreement dated December 23, 2023 May 13, 2024 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 and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters, 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 Promoters, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, 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.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Prospectus and the website of the Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).

**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, co-operative 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, AIFs 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 Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Kolkata, West Bengal, India 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, except that this Prospectus has been filed at SME Platform of BSE Limited for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant 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, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited (“BSE”) has vide its letter dated April 01, 2024 given permission to “Associated Coaters Limited” to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME Platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are offered by the Company and investors are informed to take the decision to invest in the Equity Shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the Equity Shares are offered by the Company is determined by the Company in consultation with the Merchant Banker to the Issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.

- vi. The Company has chosen the SME Platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME Platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Bids 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**

The Prospectus is being filed with BSE Limited 20<sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra, India.

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246(5) the SEBI (ICDR) Regulations, 2018. However, a copy of the Prospectus will be furnished to the Board in a soft copy.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Kolkata.

#### **LISTING**

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within 3 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated April 01, 2024 to use the name of BSE in this issue document for listing of equity shares on SME Platform of BSE Limited.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *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*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of (a) Our Directors, Promoters, Chief Financial Officer, Company Secretary and Compliance Officer, Peer Review Auditor and Statutory Auditor; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Issue, Banker to the Company, Banker to the Issue and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 & Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. JMP Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “**Statement of Possible Tax Benefits**” relating to the possible tax benefits and restated financial statements as included in this Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

## EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits.
- Report of the Auditor on the Restated Financial Statements of our Company for the period ended on December 31, 2023 and Financial Year ended on March 31, 2023; 2022 and 2021 of our Company.

## EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “**Objects of the Issue**” beginning on page 69 of this Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated December 23, 2023 and addendum to the registrar to the issue dated May 13, 2024 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation and are an **“Unlisted Issuer”** in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an **“Initial Public Offering”** in terms of the SEBI (ICDR) Regulations, 2018.

## **CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES**

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Prospectus.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled **“Capital Structure”** beginning on page 58 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

## **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an **“Unlisted Issuer”** in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an **“Initial Public Offering”** in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

## **LISTED SUBSIDIARY / PROMOTER**

We do not have any listed Subsidiary or Promoter Company as on date of this Prospectus.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an **“Unlisted Issuer”** in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an **“Initial Public Offering”** in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**



The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on December 13, 2023. For further details, please refer to the chapter titled "**Our Management**" beginning on page 124 of this Prospectus.

Our Company has appointed Ms. Heenal Hitesh Rathod as Company Secretary and Compliance Officer and she may be contacted at the following address:

**Ms. Heenal Hitesh Rathod**

Associated Coaters Limited

**Address:** Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India, 700141

Tel: + 91 9830437701

Email: [info@associatedcoaters.in](mailto:info@associatedcoaters.in)

Investors can contact the Company Secretary and 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 or unblocking of funds, etc.

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

#### **Disposal of Investor Grievances by Listed Companies under the same Management**

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Prospectus.

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled "**Capital Structure**" beginning on **page 58** of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.



## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

## 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 Tax Benefits*” beginning on **page 81** of this Prospectus.

## PURCHASE OF PROPERTY

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 this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

## SERVICING BEHAVIOR

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 “*Related Party Transactions*” beginning on page 124 and 142 respectively of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

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

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

## **SECTION XI: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and / or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular 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 no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). Accordingly, 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 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application for Investor may visit the official website of the concerned 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 PRESENT ISSUE**

This Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on December, 13, 2023, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 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 Extra Ordinary General Meeting of our Company held on December 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 section titled, ‘**Main Provisions of Article of Association**’, beginning on page 227 of this 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 '*Main Provisions of Article of Association*', beginning on page 143 and 227 respectively, of this Prospectus.

## FACE VALUE AND ISSUE PRICE

The face value of the share of our Company is ₹ 10.00 per equity share and the issue price is ₹ 121.00 per Equity Share (including premium of ₹ 111.00 per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, '*Basis for Issue Price*', beginning on page 76 of this Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## COMPLIANCE WITH ICDR REGULATIONS

Our Company shall comply with all requirements of the ICDR Regulations, as amended 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 AoA, the Equity Shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive annual reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- e) Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- h) Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '*Main Provisions of the Articles of Association*', beginning on page 227 of this Prospectus.

## ALLOTMENT ONLY IN DEMATIALIZED FORM

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 dematerialised 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 October 11, 2023 between NSDL, our Company and Registrar to the Issue; and

Tripartite Agreement dated October 11, 2023 between CDSL, our Company and Registrar to the Issue.

The ISIN no of the company is **INE0RIQ01013**

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of 1,000 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 1,000 Equity Share subject to a minimum allotment of 1,000 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 Lakh per application.

#### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

#### **JOINT HOLDERS**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, 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 of Directors 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 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## ISSUE PROGRAM

### Period of Operation of Subscription List of Public Issue.

<b>Issue Opens on</b>	Thursday, May 30, 2024
<b>Issue Closes on</b>	Monday, June 03, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Tuesday, June 04, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	On or before Wednesday, June 05, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Wednesday, June 05, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Thursday, June 06, 2024

\*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 for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking.

The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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 Investors on Issue Closing Date maybe extended in consultation with the Lead Manager, Registrar and Share Transfer Agent and SME platform of BSE Limited taking into account the total number of Applications received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Lead Manager to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date, and are advised to submit their Bids no later than prescribed time on the Bid/ Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Working Days, during the Bid/Offer Period. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

In accordance with 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 Investors can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Investors, 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 SME platform of BSE Limited may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.



## **MINIMUM SUBSCRIPTION AND UNDERWRITING**

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1.00 Lakhs (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 1,000 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

## **APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

## **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of



Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

#### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the pre-issue Equity Shares and Promoters minimum contribution in the Issue as detailed in the Section titled, '*Capital Structure*', beginning on page 58 of this Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, '*Main Provisions of the Articles of Association*', beginning on page 227 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the 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 Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

#### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **MIGRATION TO MAIN BOARD**

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

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 Platform of BSE Limited on a later date subject to the following:

If the paid-up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

OR

Where the post-issue face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further issue of capital by the Company shall be made unless;

*a)the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;*

*b)the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.*

## MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME platform of BSE for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, “**General Information**”, beginning on page 50 of this Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹20 Crore	25%	24%

Further, the Market Maker shall give (2) Two ways quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Kolkata, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is less than or equal to ten crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this issue, please refer to chapter titled **"Terms of the Issue"** and **"Issue Procedure"** beginning on page 182 and 193 respectively of this Prospectus.

The present issue comprises of 4,22,000\* Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 121.00 per Equity Share (including a premium of ₹ 111.00 per Equity Share) aggregating to ₹ 510.62 Lakhs.

The present issue comprises a reservation of 66,000\* Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 121.00 per Equity Share (including a premium of ₹ 111.00 per Equity Share) aggregating to ₹ 79.86 Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of 3,56,000\* Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 121.00 per Equity Share (including a premium of ₹ 111.00 per Equity Share) aggregating to ₹ 430.76 Lakhs (the Net Issue). The Issue and the Net Issue will constitute 31.21% and 26.33% respectively of the Post Issue Paid-up Equity Share Capital of the Company.

*\*Subject to finalization of Basis of Allotment*

The Issue is being made by way of Fixed Price Issue Process

Particulars of the issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	3,56,000 Equity Shares	66,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	84.36 % of the issue Size 26.33% of the Post Issue Paid up Capital	15.64 % of the issue Size 4.88 % of the Post issue Paid up Capital
<b>Basis of Allotment / Allocation if respective category is oversubscribed.</b>	Proportionate subject to minimum allotment of 1,000 Equity Shares and further allotment in multiples of 1,000 Equity Shares each.  For further details please refer to <b>"Basis of Allotment"</b> under chapter titled <b>"Issue Procedure"</b> beginning on page 193 of this Prospectus.	Firm Allotment
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b> Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Value exceeds ₹ 2.00 Lakhs.  <b>For Retail Individuals Investors:</b> 1,000 Equity Shares	66,000 Equity Shares
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b> The maximum application size is the Net Issue to Public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals Investors:</b> 1,000 Equity Shares at an Issue Price of ₹121.00 per Equity Share. Such that the Application Value does not exceeds ₹ 2.00 Lakhs.	66,000 Equity Shares
<b>Trading Lot</b>	1,000 Equity Shares	1,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for UPI Applicants using Syndicate ASBA).	

<b>Mode of Allotment</b>	Compulsorily in dematerialized form.
<b>Terms of Payment</b>	<p>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two days of the closure of the issue.</p> <p>In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.</p>

*\*Subject to finalization of Basis of Allotment*

In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.

\*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:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:

individual applicants other than retail individual investors; and

other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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 chapter titled **“The Issue”** beginning on page 45 of this Prospectus.

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

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Kolkata.

## ISSUE PROGRAMME

Event	Indicative Date
Issue Opens on	Thursday, May 30, 2024
Issue Closes on	Monday, June 03, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, June 04, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	On or before Wednesday, June 05, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, June 05, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, June 06, 2024

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time).

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.

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 any public holiday), on which the commercial banks in the city as notified in the offer document are open for business.

## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 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 RIBs 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.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, 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 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.



The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com) For details on their designated branches for submitting Application Forms, please see the above-mentioned website of BSE Limited.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

### **Phased implementation of Unified Payments Interface**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, 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 no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

**Phase III:** Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.



The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Offer will be made under UPI Phase III of the UPI Circular.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints in this regard, the relevant SCSB as well as the post – issue, Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

#### **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. However, if the retail individual investor category is

entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number / UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs 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 (other than Applicants using the UPI mechanism) must provide either (i) the bank account details and authorisation to block funds their respective ASBA Form, or (ii) the UPI ID (in case of RIIs), as applicable, in the relevant space provided in the Application Form and the Application Forms that do not contain such details will be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour (1)
Resident Indians	White
Eligible NRIs applying on a non-repatriation basis	Blue

(1) Excluding electronic Application Form downloaded by the Applicants

Designated Intermediaries (other than SCSBs) shall submit / deliver the Application Form (except the Application Form from a RII bidding using the UPI Mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange applying platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Banks and the Bankers to the Issue. The LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

### **Electronic registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) 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 in the United States. Accordingly, the Equity Shares are being offered and sold 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.**

**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.**

### **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the 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 websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

<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”), shall enter their UPI ID in the application form.

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.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For 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 application 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.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

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 submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of 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 Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<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(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, 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 shall accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p>

### Who Can Apply?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows: .

Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the

Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

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;

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;

QIBs;

Mutual Funds registered with SEBI;

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;

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);

FII 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;

Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-institutional applicant's category;

Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

Foreign Venture Capital Investors registered with the SEBI;

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;

Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

Insurance Companies registered with Insurance Regulatory and Development Authority, India;

Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;

Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;

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;

Insurance funds set up and managed by army, navy or air force of the Union of India;

Multilateral and bilateral development financial institution;

Eligible QFIs;

Insurance funds set up and managed by army, navy or air force of the Union of India;

Insurance funds set up and managed by the Department of Posts, India;

**Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.**

Applications not to be made by:

Minors (except under guardianship)

Partnership firms or their nominees

Foreign Nationals (except NRIs)

Overseas Corporate Bodies

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.

#### **PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER / PROMOTER GROUP**

The LM and the Syndicate Members, if any, shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoter and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (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 184 and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

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

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.



No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

#### **APPLICATION BY HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm / accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm / accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 224 of this Prospectus. Participation of eligible NRIs shall be subject to NDI Rules.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (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 (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

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.

#### **APPLICATION BY FPI and FIIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs could be up to 100%, being the sectoral cap, of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).



In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“MIM Structure”), provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications are liable to be rejected.

Further, in the following cases, the Applications by FPIs will not be considered as multiple Applications: involving the MIM Structure and indicating the name of their respective investment managers in such confirmation; offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager; multiple branches in different jurisdictions of foreign bank registered as FPIs; Government and Government related investors registered as Category 1 FPIs; and Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a. such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of 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.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

**APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)**

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of their investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of their investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

- a) Equity shares of a company: the lower of 10% (1) of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary(ies) engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if

1. the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or
2. the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks ‘interest on loans / investments made to a company.

The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make

1. investment in excess of 30% of the paid-up share capital of the investee company,
2. investment in a subsidiary(ies) and a financial services company that is not a subsidiary(ies) (with certain exception prescribed), and
3. investment in a non-financial services company in excess of 10% of such investee company’s paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Further, the aggregate investment by a banking company in subsidiary(ies) and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves.

#### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificates from its statutory auditor(s), and such other approval as may be required by the Systemically Important NBFCs must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **APPLICATIONS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such

account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

**The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Prospectus and the Prospectus.**

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus or the Prospectus**

In accordance with RBI regulations, OCBs cannot participate in the Issue.

#### **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

##### **ASBA PROCESS**

**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 the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA

Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

### CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation 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 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 Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

## **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

### **Application and validation process**

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“Cut-Off Time”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a onetime mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.



(g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.

(h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

## **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank 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 finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application 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 (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.



Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

#### **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.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism 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 or Application made through UPI Mechanism, as the case may be.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

##### **1. For Retail Individual Applicants**

The Application must be for a minimum of 1000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹2,00,000.

##### **2. For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of 1000 Equity Shares so as to ensure 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. 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 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 Prospectus.**

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

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.

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.

#### **INFORMATION FOR THE APPLICANTS**

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **INFORMATION FOR THE APPLICANTS**

In addition to the instructions provided to the Applicants in the General Information Document for Investing in Public Issues, Applicants are requested to note the following additional information in relation to the Issue.

- a. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three working days, subject to the total Issue Period not exceeding ten working days
- b. The relevant Designated Intermediary will enter each Application into the electronic bidding system as a separate Application and generate an acknowledgement slip ("Acknowledgement Slip"), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant's responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he / she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
- c. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

- d. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 2 Lakhs. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 2 Lakhs, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
- e. In the event of a downward revision in the Price, Retail Individual Applicant may revise their application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
- f. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

#### **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on December 23, 2023.

For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page 50 of this Prospectus.

We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

#### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

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 BSE Limited where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. 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.

#### **NON-RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of

receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight 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 eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

#### **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 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 may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Prospectus 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.

#### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

#### **MODE OF REFUND**

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

#### **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Issue Closing Date.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

- a) Designated Date and Allotment of Equity Shares Designated Date: On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within the time prescribed under applicable law. 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 2 (two) working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **AVAILABILITY OF THE PROSPECTUS AND THE APPLICATION FORMS:**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

## **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their application(s) or lower the size of their application(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their application(s) during the Issue Period and withdraw their application(s) until Issue Closing Date.

Do's:

- a. Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
- b. Ensure that you have applied within the Issue Price;
- c. Read all the instructions carefully and complete the Application Form in the prescribed form;
- d. Ensure that you have mentioned the correct ASBA Account number if you are not an RII bidding using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
- e. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;

- f. RIIs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- g. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
- h. In case of joint Applications, ensure that first applicant 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;
- i. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- j. Ensure that you request for and receive a stamped acknowledgement of the Application Form;
- k. Ensure that the name(s) given in the Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
- l. Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- m. Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- n. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral / bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- o. 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;
- p. Ensure that the correct investor category and the investor status is indicated in the Application Form;
- q. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- r. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- s. Application by Eligible NRIs for an Amount of less than ₹ 2 Lakhs would be considered under the Retail Category for the purposes of allocation and Applications for an Amount exceeding ₹ 2 Lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
- t. Since the allotment will be in dematerialised form only, ensure that the Applicant's depository account is active, the correct DP ID, Client ID, PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID, PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- u. In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying Centre



and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);

- v. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- w. Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
- x. Ensure that you have correctly signed the authorisation / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application. Bid In case of RIIs submitting their applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- y. Ensure that you have correctly signed the authorization / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- z. Retail Individual Applicants using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, a Retail Individual Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- aa. However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
- bb. FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
- cc. Retail Individual Applicants using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner and
- dd. Ensure that the Demographic Details are updated, true and correct in all respects;

The Application Form were liable to be rejected if the above instructions, as applicable, were 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 were liable to be rejected.

Don'ts:

- a. Do not apply for lower than the minimum Application size;
- b. Do not submit an application using UPI ID, if you are not a RII;
- c. Do not apply for an Amount exceeding ₹ 2.00 Lakhs (for Applications by Retail Individual Applicants).
- d. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- e. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;



- f. Do not apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- g. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- h. Do not submit the Applications for an amount more than funds available in your ASBA account.
- i. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- j. In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- k. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- l. If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
- m. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- n. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- o. Do not submit the General Index Register (GIR) number instead of the PAN;
- p. Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- q. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- r. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- s. Do not submit an application / revise an Issue Amount, with a price less than the Issue Price;
- t. Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- u. If you are a QIB, do not submit your application after 3:00 pm on the QIB Issue Closing Date;
- v. Do not fill up the Application Form such that the Equity Shares Application for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Prospectus;
- w. Do not apply for shares more than specified by respective Stock Exchanges for each category;
- x. Do not apply, if you are an OCB;
- y. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RIIs using the UPI Mechanism;
- z. Do not apply on another Application Form after you have submitted an application to any of the Designated Intermediaries; and
- aa. Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates / demat credit / refund orders / unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “**General Information**” beginning on page 50 on this Daft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information**” beginning on page 50 on this Daft Prospectus.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **OTHER INSTRUCTIONS**

### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- a. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- b. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- c. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.

For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB’s in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document for Investing in Public Issue” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

- a. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
- b. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
- c. Applications submitted on a plain paper;
- d. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and / or using a mobile application or UPI handle, not listed on the website of SEBI;
- e. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- f. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- g. Application submitted without the signature of the First Applicant or sole Applicants;
- h. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
- i. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
- j. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
- k. GIR number furnished instead of PAN;
- l. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 2,00,000/-

- m. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- n. Applications by Applicants accompanied by cheques, demand drafts, stock invest, money order, postal order or cash;
- o. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
- p. Application by OCB.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

- a. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
- b. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- 1. a tripartite agreement dated October 11, 2023 with NSDL, our Company and Registrar to the Issue;
- 2. a tripartite agreement dated October 11, 2023 with CDSL, our Company and Registrar to the Issue;

The Company’s shares bear an ISIN INE0RIQ01013.

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.

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.

Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).

Names in the Application Form or Revision Form should be identical to those appearing in the account details in the

Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.

The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.

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**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related

problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

<p><b>To</b>  <b>Ms. Heenal Hitesh Rathod,</b>  <b>Company Secretary and Compliance Officer</b>          Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata,          Vivekanandapur, South 24 Parganas, Thakurpukur          Mahestola-700141 West Bengal, India.  <b>Tel:</b> + 91 9830437701  <b>Email:</b> <a href="mailto:cs@associatedcoaters.in">cs@associatedcoaters.in</a>  <b>Website:</b> <a href="http://www.associatedcoaters.in">www.associatedcoaters.in</a></p>	<p><b>To the Registrar to the Issue</b>  <b>Bigshare Services Private Limited</b>          S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road,          next to Ahura Centre, Andheri East, Mumbai- 400093,          Maharashtra, India  <b>Tel No.:</b> +91 – 22 – 6263 8200;  <b>Fax No.:</b> +91 – 22 – 6263 8299  <b>E-mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>  <b>Investor Grievance</b>  <b>E-mail:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>  <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>  <b>Contact Person:</b> Mr. Vinayak Morbale  <b>SEBI Registration No.:</b> INR000001385  <b>CIN:</b> U99999MH1994PTC076534</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 2 (two) working days of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 3 (three) working days of closure of the issue.

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE Limited (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 to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than 1000 equity shares the allotment will be made as follows:

Each successful applicant shall be allotted 1000 equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the drawal 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 1000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1000 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(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;

(a). minimum fifty per cent. to retail individual investors; and

(b). remaining to:

- i) individual applicants other than retail individual investors; and
- ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail Individual Investor in the manner in this para titled “BASIS OF ALLOTMENT”.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE Limited.

### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section “General Information Document for Investing in Public Issue – Applying in the Issue – Instructions for filing the Application Form / Application Form” Applicants are requested to note the additional instructions provided below.

- 1) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- 2) Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
- 3) Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

### **DESIGNATED DATE AND ALLOTMENT**

- a) Our Company will ensure that the Allotment and credit to the successful Applicants’ depository account will be completed within 2 (two) Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.



The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

- a. If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- b. That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- c. That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within three Working Days of the Issue Closing Date or such other period as may be prescribed;
- d. If Allotment is not made, application monies will be refunded / unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;
- e. 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 time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
- f. That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
- g. That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- h. No further Issue of Equity Shares shall be made until the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;



- i. That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- j. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- k. That the allotment of securities / refund confirmation to Eligible NRIs shall be dispatched within specified time;
- l. That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- m. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

#### **UTILIZATION OF NET PROCEEDS**

Our Company specifically confirms and declares that:

1. All monies received out of the Issue of specified securities to public shall be credited / transferred to 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 to in sub-item (i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised and;
3. Details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Lead Manager 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 Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India 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.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment , as updated from time to time by RBI and Master Direction– Foreign Investment in India (updated up to March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Section 4 of the FDI Policy 2020 has to be obtained. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that

- (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations;
- (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and
- (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

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 (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA

Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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 or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **INVESTMENT CONDITIONS / RESTRICTIONS FOR OVERSEAS ENTITIES:**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI / OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and / or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral / statutory cap.

#### **INVESTMENT BY FPIS UNDER PORTFOLIO INVESTMENT SCHEME (PIS):**

With regards to purchase / sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap / statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **INVESTMENT BY NRI OR OCI ON REPATRIATION BASIS:**

The purchase / sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

## **INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS:**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

**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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.**

SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION\*

OF

ASSOCIATED COATERS LIMITED

1. CONSTITUTION OF THE COMPANY

- a) The regulations contained in table “F” of schedule I to the Companies Act, 2013, as amended shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.
- b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013, as amended.

2. INTERPRETATION

A. DEFINITIONS

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context:

- a. “Act” means the Companies Act, 2013, the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory replacement or re-enactment thereof.
- b. “ADRs” shall mean American Depository Receipts representing ADSs.
- c. “Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.
- d. “ADR Facility” shall mean an ADR facility established by the Company with a depository bank to hold any Equity Shares as established pursuant to a deposit agreement and subsequently as amended or replaced from time to time.
- e. “ADSs” shall mean American Depository Shares, each of which represents a certain number of Equity Shares.
- f. “Articles” shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

#Adopted in the extra ordinary General Meeting of shareholder held on October 24, 2023, special resolution has been passed for adoption of new set of Article of association pertaining to conversion of the Company from Private Company to Public Company as per Companies Act, 2013.

\*Adopted in the extra ordinary General Meeting of shareholder held on December 26, 2023, special resolution has been passed for adoption of new set of Article of association which is applicable to Public Company as per Companies Act, 2013. Earlier set of Articles of Association appended after these new set of Article of Association.

- g. “Auditors” shall mean and include those persons appointed as such for the time being by the Company.
- h. “Board” shall mean the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.

- i. “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- j. “Beneficial Owner” shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.
- k. “Business Day” shall mean a day on which scheduled commercial banks are open for business in India.
- l. “Capital” or “share capital” shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.
- m. “Chairman” shall mean such person as is nominated or appointed in accordance with Article 36 and 69 herein below.
- n. “Company” or “this Company” shall mean ASSOCIATED COATERS LIMITED.
- o. “Committees” shall mean a committee constituted in accordance with Article 71.
- p. “Debenture” shall include debenture stock, bonds, and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
- q. “Depositories Act” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- r. “Depository” shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.
- s. “Director” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.
- t. “Dividend” shall include interim dividends.
- u. “Equity Share Capital” shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.
- v. “Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of INR 10/- (Rupees Ten) per equity share or any other issued share capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares.
- w. “Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- x. “Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act;
- y. “Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- z. “Fully Diluted Basis” shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for Equity Shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of Equity Shares possible under the terms thereof.
- aa. “GDRs” shall mean the registered Global Depository Receipts, representing GDSs.

- bb. “GDSs” shall mean the Global Depository Shares, each of which represents a certain number of Equity Shares.
- cc. “General Meeting” shall mean a meeting of holders of Equity Shares and any adjournment thereof.
- dd. “Independent Director” shall mean an independent director as defined under the Act and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- ee. “India” shall mean the Republic of India.
- “Law” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) generally accepted accounting principles or therelevant accounting standards.
- ff. “Managing Director” shall have the meaning assigned to it under the Act.
- gg. “MCA” shall mean the Ministry of Corporate Affairs, Government of India.
- hh. “Memorandum” shall mean the memorandum of association of the Company, as amended from time to time.
- ii. “Office” shall mean the registered office for the time being of the Company.
- jj. “Officer” shall have the meaning assigned thereto by Section 2(59) of the Companies Act, 2013, as amended.
- kk. “Ordinary Resolution” shall have the meaning assigned thereto by Section 114 of the Companies Act, 2013, as amended.
- ll. “Paid up” shall include the amount credited as paid up.
- mm. “Person” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- nn. “Public Company” shall have the meaning assigned thereto by Section 2(71) of the Companies Act, 2013, as amended.
- oo. “Register of Members” shall mean the register of shareholders to be kept pursuant to Section 88 of the Companies Act, 2013, as amended.
- pp. “Registrar” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- qq. “Rules” shall mean the rules made under the Act and notified from time to time.
- “Seal” shall mean the common seal(s) for the time being of the Company.
- rr. “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992, as amended.
- ss. “SEBI Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.



- tt. “Secretary” shall mean a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980, as amended who is appointed by a company to perform the functions of a company secretary under the Act.
- uu. “Securities” shall mean any Equity Shares or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.
- vv. “Share Equivalents” shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.
- ww. “Shareholder” shall mean any shareholder of the Company, from time to time.
- xx. **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.
- yy. **“Special Resolution”** shall have the meaning assigned to it under Section 114 of the Companies Act, 2013, as amended.
- zz. **“Transfer”** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word **“Transferred”** shall be construed accordingly.
- aaa. “Tribunal” shall mean the National Company Law Tribunal constitutes under Section 408 of the Companies Act, 2013, as amended.

## B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

- (i) References to a Person shall, where the context permits, include such Person’s respective successors, legal heirs and permitted assigns.
- (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- (iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.
- (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.

- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (viii) A reference to a Person being liable to another Person, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its securities, issue of bonus securities, issue of securities in a scheme of arrangement (including amalgamation or de-merger) and reclassification of Equity Shares or variation of rights into other kinds of securities.
- (xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.
- (xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### 3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### 4. SHARE CAPITAL

- (a) The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.
- (b) The Company has power, from time to time, to increase its authorised or issued and Paid-up Share Capital.
- (c) The Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- (d) Subject to Article 4(d), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- (e) The Board may allot and issue securities of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any securities which may be so allotted may be issued as fully/partly paid up securities and if so issued shall be deemed as fully/partly paid up securities. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.
- (f) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.

- (g) Nothing herein contained shall prevent the Directors from issuing fully paid-up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.
- (h) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- (i) All of the provisions of these Articles shall apply to the Shareholders.
- (j) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.
- (k) The money, (if any), which the Board shall, on the allotment of any securities being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any securities allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

## 5. BRANCH OFFICES

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

## 6. PREFERENCE SHARES

### (a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

### (b) Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

## 7. PROVISIONS IN CASE OF PREFERENCE SHARES

Upon the issue of preference shares pursuant to Article 6 above, the following provisions shall apply:

- (a) No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of securities made for the purposes of the redemption;
- (b) No such preference shares shall be redeemed unless they are fully paid;
- (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the preference shares are redeemed;
- (d) Where any such preference shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Companies Act, 2013, as amended, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

- (e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- (f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- (g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Companies Act, 2013, as amended.

## **8. SHARE EQUIVALENT**

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

## **9. ADRS/GDRS**

The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

## **10. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Companies Act, 2013, as amended, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its Share Capital by such amount as it thinks expedient;
- (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

- (c) convert all or any of its fully Paid-up shares into stock and reconvert that stock into fully Paid-up shares of any denomination
- (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

## **11. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

## **12. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Companies Act, 2013, as amended, the Rules and subject to compliance with Law.

### 13. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013, as amended and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48(2) of the Companies Act, 2013, as amended and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

### 14. REGISTERS TO BE MAINTAINED BY THE COMPANY

- (a) The Company shall, in terms of the provisions of Section 88 of the Companies Act, 2013, as amended, cause to be kept the following registers in terms of the applicable provisions of the Act:
- (i) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
  - (ii) A register of Debenture holders; and
  - (iii) A register of any other security holders.
- (b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.
- (c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

### 15. SHARES AND SHARE CERTIFICATES

- (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (b) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (c) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the prima facie evidence of the interest of the beneficial owner.
- (d) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the Person entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding such for each certificate as may be prescribed under law) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law including the rules or regulations or requirements of any stock exchange and the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

- (e) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

- (f) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (g) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- (h) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (i) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.
- (j) All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- (k) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (l) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.
- (m) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

## **16. SHARES AT THE DISPOSAL OF THE DIRECTORS**

- a) Subject to the provisions of Section 62 of the Companies Act, 2013, as amended and other applicable 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 issue, allot or otherwise dispose of the same or any of them to 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 Section 53 of the Companies Act, 2013, as amended) and at such time as they may, from time to time, think fit and with the sanction of the Company in the General Meeting, give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid-up shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
- b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.



- d) In accordance with Section 46 and 56 of the Companies Act, 2013, as amended and other applicable provisions of the Act and the Rules:
- i. Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favor it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a fee not exceeding such fee as may be prescribed under Law.
  - ii. Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be under seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in the form and manner as specified in Article 15 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the one or several joint holders shall be sufficient delivery to all such holders.
  - iii. the Board may, at their absolute discretion, refuse any applications for the sub- division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.
  - iv. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## 17. UNDERWRITING AND BROKERAGE

- a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

## 18. CALLS

- (a) Subject to the provisions of Section 49 of the Companies Act, 2013, as amended, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call maybe made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- (b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the



Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

- (c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.
- (d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.
- (e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

- (f) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- (g) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (h) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- (i) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Companies Act, 2013, as amended) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (j) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(k) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

## 19. COMPANY'S LIEN

### i. On shares:

- (a) The Company shall have a first and paramount lien:
- (i) on every share (not being a fully paid-up share), registered in the name of each shareholder (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and except as provided in Article 19(i)(b);
- (ii) on all shares (not being fully paid-up shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

- (b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid-up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.
- (d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

- (e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

### ii. On Debentures:

- (a) The Company shall have a first and paramount lien:
- (i) on every Debenture (not being a fully paid-up Debenture), registered in the name of each debenture holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

- (ii) on all Debentures (not being fully paid-up Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

- (b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures. Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid-up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such Debentures.
- (c) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

- (d) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

## 20. FORFEITURE OF SHARES

- (a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the

applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- (e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

## 21. FURTHER ISSUE OF SHARE CAPITAL

- a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - i. to persons who, as on the date specified in applicable law are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-
    - a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 7(Seven) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause a. above shall contain a statement of this right;

- c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;
  - ii. to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
  - iii. to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules or otherwise under Law.
- b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode or any other mode prescribed under Law to all the existing Shareholders at least 3 (three) days before the opening of the issue.
  - c) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

- d) Nothing in sub-Article (a)(i)(b) of this Article shall be deemed:
  - (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- e) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Companies Act, 2013, as amended, the Rules and the applicable provisions of the Act.

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## **22. TRANSFER AND TRANSMISSION OF SHARES**

- a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- b) Every instrument of transfer of shares shall be in writing and the provisions of Section 56 of the Companies Act, 2013, as amended and of any statutory modification thereof, and all other applicable provisions of the Act for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

- d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- f) Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013, as amended, the Rules, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may refuse, whether



in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company or debentures of the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

- g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
- i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.
- j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.
- m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.
- r) There shall be a common form of transfer in accordance with the Act and Rules.
- s) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

### **23. DEMATERIALIZATION OF SECURITIES**

- a) Dematerialization:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

- b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.
- c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.
- d) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.



e) Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Companies Act, 2013, as amended shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

f) Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

g) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

h) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

i) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

j) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

k) Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

l) Transfer of Securities:

i. Nothing contained in Section 56 of the Companies Act, 2013, as amended or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

ii. In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

m) Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

n) Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

o) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

p) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

q) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

r) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

s) Overriding effect of this Article:

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

## 24. NOMINATION BY SECURITIES HOLDERS

a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

- e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

## **25. NOMINATION FOR DEPOSITS**

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Companies Act, 2013, as amended shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

## **26. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

## **27. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Companies Act, 2013, as amended shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

## **28. BORROWING POWERS**

- a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Companies Act, 2013, as amended and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:
  - i. accept or renew deposits from Shareholders;
  - ii. borrow money by way of issuance of Debentures;
  - iii. borrow money otherwise than on Debentures;
  - iv. accept deposits from Shareholders either in advance of calls or otherwise; and
  - v. generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

- b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.
- c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and may be issued on the condition that they or any part of them may be convertible into Equity Shares of

any denomination, and with any privileges and conditions as to the redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with the sanction of the Company in General Meeting accorded by a Special Resolution.

- d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Companies Act, 2013, as amended of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.
- f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## **29. ANNUAL GENERAL MEETING**

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

## **30. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Companies Act, 2013, as amended to extend the time within which any Annual General Meeting may be held.

## **31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

- a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

Provided a General Meeting of the Company may be held through video conferencing or other audio-visual means, subject to the Companies Act and relevant rules, circulars, notifications, guidelines issued by MCA from time to time.

- b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Companies Act, 2013, as amended. The Directors are also entitled to attend the Annual General Meeting.

## **32. NOTICE OF GENERAL MEETINGS**

- a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting or in such other manner as may be prescribed under Law.

The notice of every meeting shall be given to:

- a. every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
  - b. Auditor or Auditors of the Company, and
  - c. all Directors.
- b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Companies Act, 2013, as amended.
- c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof as per Article 32 (a).
- d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Companies Act, 2013, as amended shall be deemed to be special.
- e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Companies Act, 2013, as amended.
- f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Companies Act, 2013, as amended, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

### **33. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

- a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- b) The Board may, whenever it thinks fit, call an Extraordinary General Meeting on receipt of requisition from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- c) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

- d) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Companies Act, 2013, as amended, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- e) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- f) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- g) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- h) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

#### **34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Companies Act, 2013, as amended. Subject to the provisions of Section 103(2) of the Companies Act, 2013, as amended, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

#### **35. CHAIRMAN OF THE GENERAL MEETING**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their member to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

#### **36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate 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.

#### **37. QUESTIONS AT GENERAL MEETING HOW DECIDED**

- a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the



Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

- d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.
- e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.
- f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Companies Act, 2013, as amended to be contained in the Minutes of the proceedings of such meeting.
- h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

### **38. PASSING RESOLUTIONS BY POSTAL BALLOT**

- a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Companies Act, 2013, as amended and the Companies (Management and Administration) Rules, 2014, as amended from time.

### **39. VOTES OF MEMBERS**

- a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- b) No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.
- c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Companies Act, 2013, as amended, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.



- e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Companies Act, 2013, as amended and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.
- m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.
- n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

- o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- i. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- ii. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
- iii. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- iv. The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- v. All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- vi. Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- vii. Any such Minutes shall be evidence of the proceedings recorded therein.
- viii. The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- ix. The Company shall cause minutes to be duly entered in books provided for the purpose of: -
  - a. the names of the Directors and Alternate Directors present at each General Meeting;
  - b. all Resolutions and proceedings of General Meeting.
- r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Companies Act, 2013, as amended in accordance with these Articles.
- s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- t) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

- u) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- v) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

#### **40. DIRECTORS**

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

#### **41. CHAIRMAN OF THE BOARD OF DIRECTORS**

- a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.
- b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

#### **42. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Companies Act, 2013, as amended, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called “the Original Director”) (subject to such person being acceptable to the Chairman) during the Original Director’s absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

#### **43. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

#### **44. DEBENTURE DIRECTORS**

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A 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 ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

#### **45. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013, as amended and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

#### **46. EQUAL POWER TO DIRECTOR**

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

#### **47. NOMINEE DIRECTORS**

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Companies Act, 2013, as amended the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub- committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

#### **48. NO QUALIFICATION SHARES FOR DIRECTORS**

A Director shall not be required to hold any qualification shares of the Company.

#### **49. REMUNERATION OF DIRECTORS**

- a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act from time to time for each meeting of the Board or any Committee thereof attended by him.

- c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time under the Companies Act, 2013, as amended.
- d) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

#### **50. SPECIAL REMUNERATION FOR EXTRASERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

#### **51. TRAVEL EXPENSES OF DIRECTORS**

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

#### **52. CONTINUING DIRECTORS**

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

#### **53. VACATION OF OFFICE BY DIRECTOR**

- a. Subject to relevant provisions of Sections 167 and 188 of the Companies Act, 2013, as amended, the office of a Director, shall ipso facto be vacated if:
  - i. he is found to be of unsound mind by a court of competent jurisdiction; or
  - ii. he applies to be adjudicated an insolvent; or
  - iii. he is adjudged an insolvent; or
  - iv. he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or
  - v. he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
  - vi. he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or
  - vii. he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Companies Act, 2013, as amended; or

- viii. having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- ix. he acts in contravention of Section 184 of the Companies Act, 2013, as amended; or
- x. he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or
- xi. he is removed in pursuance of Section 169 of the Companies Act, 2013, as amended; or
- xii. he is disqualified under Section 164(2) of the Companies Act, 2013, as amended.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

#### **54. RELATED PARTY TRANSACTIONS**

- a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Companies Act, 2013, as amended and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a ‘related party’ with respect to:
  - i. sale, purchase or supply of any goods or materials;
  - ii. selling or otherwise disposing of, or buying, property of any kind;
  - iii. leasing of property of any kind;
  - iv. availing or rendering of any services;
  - v. appointment of any agent for purchase or sale of goods, materials, services or property;
  - vi. such Director's or its relative's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and
  - vii. underwriting the subscription of any securities or derivatives thereof, of the Company:

without the consent of the Shareholders by way of a Resolution in accordance with Section 188 of the Companies Act, 2013, as amended.

- b) No Shareholder of the Company shall vote on such Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.
- c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis
- d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
- e) The terms “office of profit” and “arm's length basis” shall have the meaning ascribed to them under Section 188 of the Companies Act, 2013, as amended.
- f) The term ‘related party’ shall have the same meaning as ascribed to it under the Act.
- g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

#### **55. DISCLOSURE OF INTEREST**

- a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013, as amended;



Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up Share Capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

- i. No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- ii. any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,
  1. in his being –
    - I. a director of such company, and
    - II. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or
  2. in his being a member holding not more than 2 (two) per cent of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Companies Act, 2013, as amended and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

- b) The Company shall keep a Register in accordance with Section 189 of the Companies Act, 2013, as amended and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 55(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Companies Act, 2013, as amended shall apply accordingly.
- c) A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Companies Act, 2013, as amended as may be applicable.

#### **56. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing Director or whole-time Director(s), appointed or the Directors appointed as a Debenture Director, or the Directors appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

#### **57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**



- a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
  - i. at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - ii. retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - iii. he is not qualified or is disqualified for appointment; or
  - iv. a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

**58. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.**

Subject to Article 40 and Sections 149, 152 and 164 of the Companies Act, 2013, as amended, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Companies Act, 2013, as amended), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

**59. REGISTER OF DIRECTORS ETC.**

- a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Companies Act, 2013, as amended and shall otherwise comply with the provisions of the said Section in all respects.
- b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Companies Act, 2013, as amended, and shall otherwise duly comply with the provisions of the said Section in all respects.

**60. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE**

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

**61. MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the provisions of Section 203 of the Companies Act, 2013, as amended and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director / whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company.

**62. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as

to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s) / manager he shall ipso facto and immediately cease to be a Director.

**63. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 of the Companies Act, 2013, as amended and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

**64. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s) / whole time director(s) / executive director(s) / manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s) / manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**65. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- a) to make calls on Shareholders in respect of money unpaid on their shares;
- b) to authorise buy-back of securities under Section 68 of the Companies Act, 2013, as amended;
- c) to issue securities, including debentures, whether in or outside India;
- d) to borrow money(ies);
- e) to invest the funds of the Company;
- f) to grant loans or give guarantee or provide security in respect of loans;
- g) to approve financial statements and the Board's report;
- h) to diversify the business of the Company;
- i) to approve amalgamation, merger or reconstruction;
- j) to take over a company or acquire a controlling or substantial stake in another company;
- k) fees/ compensation payable to non-executive directors including independent directors of the Company; and
- l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Companies Act, 2013, as amended.

In terms of Section 180 of the Companies Act, 2013, as amended, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;
- b) to borrow money; and
- c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

#### **66. PROCEEDINGS OF MEETINGS OF THE BOARD OF DIRECTORS**

- a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.
- b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognizing the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.
- e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

#### **67. QUORUM FOR BOARD MEETING**

- a) Quorum for Board Meetings

Subject to the provisions of Section 174 of the Companies Act, 2013, as amended, the quorum for each Board Meeting shall be one-third of its total strength and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

- b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

#### **68. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED**

- a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

- b) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

#### **69. ELECTION OF CHAIRMAN OF BOARD**

- a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.
- b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

#### **70. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.
- b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-
  - i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Companies Act, 2013, as amended;
  - ii. Remit, or give time for repayment of, any debt due by a Director;
  - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
  - iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

#### **71. COMMITTEES AND DELEGATION BY THE BOARD**

- a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Companies Act, 2013, as amended, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- c) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

- d) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

## **72. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

## **73. PASSING OF RESOLUTION BY CIRCULATION**

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

## **74. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

- a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.
- c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain:
- i. all appointments of Officers;
  - ii. the names of the Directors present at each meeting of the Board;
  - iii. all resolutions and proceedings of the meetings of the Board;
  - iv. the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.
- f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -
- i. is or could reasonably be regarded as defamatory of any person;
  - ii. is irrelevant or immaterial to the proceedings; or

- iii. is detrimental to the interests of the Company.
- g) The Chairman shall exercise absolute discretion in regard to the inclusion or non- inclusion of any matter in the minutes on the ground specified in sub Article (f) above.
- h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
- i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

#### **75. REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

#### **76. CHARGE OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

#### **77. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

#### **78. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY**

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

#### **79. OFFICERS**

- a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.
- b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.
- c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.
- d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.
- e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

#### **80. THE SECRETARY**

- a) Subject to the provisions of Section 203 of the Companies Act, 2013, as amended, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time



revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

- b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

#### **81. DIRECTORS' & OFFICERS' LIABILITY INSURANCE**

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Companies Act, 2013, as amended: -

- a) on terms approved by the Board;
- b) which includes each Director as a policyholder;
- c) is from an internationally recognised insurer approved by the Board; and
- d) for a coverage for claims of an amount as may be decided by the Board, from time to time.

#### **82. SEAL**

- a) The Company may have a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.
- b) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Companies Act, 1956, for use in any territory, district or place outside India.
- c) Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by any one of the Directors or the Secretary of the Company under an authority of a resolution.

#### **83. ACCOUNTS**

- a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.
- b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.
- c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.
- d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.
- e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.
- f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:



- i. the extract of the annual return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, as amended;
  - ii. number of meetings of the Board;
  - iii. Directors' responsibility statement as per the provisions of Section 134 (5) of the Companies Act, 2013, as amended;
  - iv. a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Companies Act, 2013, as amended;
  - v. in the event applicable, as specified under sub-section (1) of Section 178 of the Companies Act, 2013, as amended, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, as amended;
  - vi. explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-
    - 1. by the auditor in his report; and
    - 2. by the company secretary in practice in his secretarial audit report;
  - vii. particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013, as amended;
  - viii. particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;
  - ix. the state of the Company's affairs;
  - x. the amounts, if any, which it proposes to carry to any reserves;
  - xi. the amount, if any, which it recommends should be paid by way of Dividends;
  - xii. material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report;
  - xiii. the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;
  - xiv. a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company;
  - xv. the details about the policy developed and implemented by the Company on corporate social responsibility initiatives taken during the year;
  - xvi. in case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors; and
  - xvii. such other matters as may be prescribed under the Law, from time to time.
- g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

#### **84. AUDIT AND AUDITORS**

- a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Companies Act, 2013, as amended and as specified under Law.

- b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.
- c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.
- d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.
- e) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.
- f) The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.
- g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Companies Act, 2013, as amended, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Companies Act, 2013, as amended and all the other provision of Section 140 of the Companies Act, 2013, as amended shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.
- i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Companies Act, 2013, as amended.
- j) None of the persons mentioned in Section 141 of the Companies Act, 2013, as amended as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

#### **85. AUDIT OF BRANCH OFFICES**

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

#### **86. REMUNERATION OF AUDITORS**

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

#### **87. DOCUMENTS AND NOTICES**

- a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.
- b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

- c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Members in respect of the Share.
- d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

#### **88. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA**

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

#### **89. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

#### **90. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

#### **91. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

- i. To the Shareholders of the Company as provided by these Articles.
- ii. To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- iii. To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

#### **92. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

#### **93. DIVIDEND POLICY**

- a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the

Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

- b) Subject to the provisions of Section 123 of the Companies Act, 2013, as amended the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Companies Act, 2013, as amended or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -
  - 1. if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and
  - 2. if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Companies Act, 2013, as amended or against both.
- (ii) The declaration of the Board as to the amount of the net profits shall be conclusive.
- d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
- e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- f) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
- (ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.
- (iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
- g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- j) Subject to Section 126 of the Companies Act, 2013, as amended, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

- k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.
- l) No unpaid Dividend shall bear interest as against the Company.
- m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so, arranged as between the Company and the Shareholders, be set-off against such calls.
- n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.
- o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Companies Act, 2013, as amended.

#### **94. UNPAID OR UNCLAIMED DIVIDEND**

- a) If the Company has declared a Dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".
- b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Companies Act, 2013, as amended, viz. "Investor Education and Protection Fund".
- c) Unless otherwise required for compliance with the provisions of the applicable laws, no unclaimed or unpaid dividend shall be forfeited by the Board, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

#### **95. CAPITALIZATION OF PROFITS**

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and
- b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
  - i. paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
  - ii. paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
  - iii. partly in the way specified in sub-article (i) and partly in the way specified in sub- article (ii).

- d) A share premium account may be applied as per Section 52 of the Companies Act, 2013, as amended, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

**96. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

- a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.
- b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
  - i. make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
  - ii. generally do all acts and things required to give effect thereto.
- c) The Board shall have full power:
  - i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and
  - ii. to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- d) Any agreement made under such authority shall be effective and binding on all such shareholders.

**97. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP**

- a) If the Company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the Company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

**98. DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY**

Subject to the provisions of Section 197 of the Companies Act, 2013, as amended, every Director, Manager and other officer or employee of the Company shall be indemnified by the Company against any liability incurred by him and it shall be the duty of the Directors to pay out the funds of the Company all costs, losses and expenses which any director, Manager, officer or employee may incur or become liable to by reason of any contract entered into by him on behalf of the Company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or employee in defending any proceedings Whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013, as amended in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the shareholders over all the claims.

**99. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS**

Subject to the provision of Section 197 of the Companies Act, 2013, as amended, no Director, Manager, Officer or Employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof unless the same



shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the Company.

#### **100. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

#### **101. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

- a) The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any annual or extraordinary General meeting of the Company in accordance with these Articles.
- b) The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.
- c) The Articles of the Company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.

#### **102. SECRECY**

No shareholder shall be entitled to inspect the Company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the Company to communicate to the public.

#### **103. DUTIES OF THE OFFICER TO OBSERVE SECRECY**

Every Director, managing Directors, manager, Secretary, Auditor, Trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affair



## SECTION XIII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Ashuti Khanberia Maheshtala LP 20/83/46, Kolkata, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola, West Bengal, India, 700141 from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10:00 a.m. to 5:00 p.m.

#### A. MATERIAL CONTRACTS

1. Issuer Agreement dated December 23, 2023 and addendum dated May 13, 2024 between our Company and the Lead Manager.
2. Registrar to the Issue Agreement dated December 23, 2023 addendum dated May 13, 2024 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated December 23, 2023 addendum dated May 13, 2024 between our Company, the Lead Manager and Underwriters.
4. Market Making Agreement dated December 23, 2023 addendum dated May 13, 2024 between our Company, Lead Manager and Market Maker.
5. Bankers to the Issue Agreement dated April 29, 2024 between our Company, the Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Tripartite agreement among the National Securities Depository Limited, our Company and the Registrar dated October 11, 2023.
7. Tripartite agreement among the Central Depository Services (India) Limited, our Company and the Registrar dated October 11, 2023.

#### B. MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated December 22, 2017 issued by Registrar of Companies, Kolkata.
3. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on December 22, 2023, in relation to the Issue.
4. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on December 26, 2023, relation to the Issue.
5. The Statement of Possible Tax Benefits dated May 04, 2024 by the Statutory Auditor included in this Prospectus.
6. Statutory Auditor's report for Restated Financials May 04, 2024 included in this Prospectus.
7. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lender, Lead Manager to the Issue, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Company, Underwriters to the Issue and Market Maker to the Issue to include their names in the Prospectus to act in their respective capacities.
8. Due Diligence Certificate dated May 24, 2024 addressed to SEBI from Lead Manager.
9. Approval from BSE Limited vide letter dated April 1, 2024 to use the name of BSE in this Offer Document for listing of Equity Shares on SME Platform of BSE Limited.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

NAME AND DESIGNATION	SIGNATURE
<b>MR. JAGJIT SINGH DHILLON</b> <i>Managing Director</i> DIN: 07980441	Sd/-
<b>MR. HARBHAJAN SINGH THETHI</b> <i>Chairman &amp; Whole Time Director</i> DIN: 10416459	Sd/-
<b>MRS. NAVNEET KAUR</b> <i>Non- Executive Director</i> DIN: 07980468	Sd/-
<b>MR. JAY KUMAR SHAW</b> <i>Additional Independent Director</i> DIN: 09627535	Sd/-
<b>MS. CHETNA GUPTA</b> <i>Additional Independent Director</i> DIN: 02212440	Sd/-

### SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

**MR. JAGJIT SINGH DHILLON**  
 Chief Financial Officer  
 PAN: AIZPD9546

Sd/-

**Ms. HEENAL HITESH RATHOD**  
 Company Secretary & Compliance Officer  
 PAN: EVRPR0491A

**Place:** Kolkata

**Date:** May 24, 2024

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED**

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / - % change in Closing benchmark] 30th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 180th calendar days from listing
<b>Main Board</b>								
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>SME Platform</b>								
1	Retina Paints Limited	11.10	30.00	May 3, 2023	29.05	32.82, [2.21]	55.54, [8.61]	96.72, [7.06]
2	Innokaiz India Limited	21.17	78.00	May 11, 2023	148.20	-21.86, [1.16]	-7.08, [6.61]	-22.88, [4.91]
3	Comrade Appliances Limited	12.30	54.00	June 13, 2023	87.00	15.80, [3.83]	80.62, [6.31]	51.89, [10.58]
4	Shelter Pharma Limited	16.03	42.00	August 23, 2023	39.97	4.62, [0.88]	54.72, [0.76]	63.08, [11.12]
5	Transteeel Seating Technologies Limited	49.98	70.00	November 6, 2023	88.90	-0.64, [7.86]	-2.47, [12.58]	-28.94, [15.78]
6	Kalyani Cast-Tech Limited	30.11	139.00	November 17, 2023	264.10	44.32, [8.65]	78.90 [9.51]	N.A.
7	Amic Forging Limited	34.80	126.00	December 6, 2023	239.40	105.59, [3.42]	190.37, [5.78]	N.A.
8	Interiors & More Limited	42.00	227.00	February 23, 2024	270.00	-8.99, [-0.52]	N.A.	N.A.
9	Zenith Drugs Limited	40.68	79.00	February 27, 2024	110.00	-40.37, [-0.58]	N.A.	N.A.
10	Owais Metal and Mineral Processing Limited	42.69	87.00	March 04, 2024	250.00	100.76, [0.13]	N.A.	N.A.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- a. The BSE SENSEX and NSE NIFTY are considered as the Benchmark Index.
- b. Price on BSE & NSE are considered for all the above calculations.
- c. In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, the price / index of the immediately preceding working day has been considered.
- d. In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running Lead Manager are provided.

**SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	*3	46.39	--	--	--	2	--	1	--	--	--	2	--	1
2022-23	**9	179.70	--	--	3	2	1	3	--	2	1	5	--	1
2023-24	***10 <sup>^</sup>	300.86	--	1	3	2	2	2	--	1	1	3	--	--

Upto May 24, 2024

\*The scrip with Listing date PlatinumOne Business Services Limited (September 16, 2021), Markolines Traffic Controls Limited (September 27, 2021) and Clara Industries Limited (December 29, 2021)

\*\*The scrip with Listing date Goel Food Products Limited (June 28, 2022), Sailani Tours N Travels Limited (July 08, 2022), Jayant Infratech Limited (July 13, 2022), B-Right RealEstate Limited (July 13, 2022), Shantidoot Infra Services Limited (September 19, 2022), Steelman Telecom Limited (October 10, 2022), Reetech International Cargo and Courier Limited (October 10, 2022), ResGen Limited (March 13, 2023) and Sudarshan Pharma Industries Limited (March 22, 2023).

\*\*\* The scrip with Listing date Retina Paints Limited (May 03, 2023), Innokaiz India Limited (May 11, 2023), Comrade Appliances Limited (June 13, 2023), Shelter Pharma Limited (August 23, 2023), Transteel Seating Technologies Limited (November 06, 2023), Kalyani Cast-Tech Limited (November 17, 2023), Amic Forging Limited (December 06, 2023), Interiors & More Limited (February 23, 2024) and Zenith Drugs Limited (February 27, 2024)

<sup>^</sup> The scrip of Kalyani Cast-Tech Limited, Amic Forging Limited, Interiors & More Limited, Zenith Drugs Limited and Owais Metal and Mineral Processing Limited have not completed 180 Days from the date of listing.