



(Please scan this QR Code to view this Red Herring Prospectus)

**RED HERRING PROSPECTUS**  
**Dated: August 21, 2025**  
Please read section 26 and 32 of the Companies Act, 2013  
**100% Book Built Issue**



**RACHIT PRINTS LIMITED**

Corporate Identification Number: U22190UP2003PLC027364

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, Uttar Pradesh-250103, India.	NA	<b>Ms. Ayushi Verma</b> Company Secretary and Compliance Officer	<b>Email:</b> cs@rachitprints.co.in <b>Tel.:</b> +91-8958342975	www.rachitprints.co.in

**PROMOTERS OF OUR COMPANY**

**MR. ANUPAM KANSAL, MS. NAINA KANSAL AND MS. ROSE KANSAL**

**DETAILS OF ISSUE TO PUBLIC**

Type	Fresh Issue Size (Rs. in Lakhs)	OFS Size (Rs. in Lakhs)	Total Issue Size (Rs. in Lakhs)	Eligibility
Fresh Issue	Upto 13,08,000 Equity Shares aggregating to Rs. [●] Lakhs.	NA	Upto 13,08,000 Equity Shares aggregating to Rs. [●] Lakhs.	The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended, pursuant to Regulation 229(1) of SEBI (ICDR) Regulations, 2018.

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

**RISKS IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is Rs. 10 each. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under the chapter titled “Basis for Issue Price” beginning on page 105, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/ or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 29.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring 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 Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares, once issued through this Red Herring Prospectus, are proposed to be listed on the SME Platform of BSE Limited (BSE). In terms of the Chapter IX of the SEBI ICDR Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the SME Platform of BSE Limited (“BSE”). Our Company has received an in-principle approval letter dated May 23, 2025 from BSE.

**BOOK RUNNING LEAD MANAGER**

Name and Logo	Contact Person	Email and Telephone
<b>KHAMBATTA SECURITIES LIMITED</b> 	<b>Mr. Chandan Mishra</b>	<b>Email:</b> ipo@khambattasecurities.com <b>Tel:</b> +91-9953989693, 0120-4415469

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email and Telephone
<b>MAASHITLA SECURITIES PRIVATE LIMITED</b> 	<b>Mr. Mukul Agrawal</b>	<b>Email:</b> ipo@maashitla.com <b>Tel:</b> 011-47581432

**BID/ISSUE PROGRAMME**

<b>BID/ ISSUE OPENS ON*</b>	<b>MONDAY, SEPTEMBER 01, 2025</b>
<b>BID/ ISSUE CLOSES ON*</b>	<b>WEDNESDAY, SEPTEMBER 03, 2025**</b>

\*Our Company in consultation with the BRLM may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

\*\*The UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Day.



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## RACHIT PRINTS LIMITED

Our Company was originally incorporated as "Rachit Prints Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 31, 2003, issued by the Registrar of Companies, Kanpur. Prior to incorporation of our Company, the promoters were engaged in the business of printing and manufacturing clothes under the name M/s Rachit Prints, a partnership firm. During the year 2003, our Promoters incorporated Rachit Prints Private Limited and had taken over the business of the Partnership Firm. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting held on May 21, 2024 and the name of our Company was changed to "Rachit Prints Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company was issued by the Registrar of Companies, Kanpur on July 29, 2024. The Corporate Identification Number of our Company is U22190UP2003PLC027364.

**PROMOTERS OF OUR COMPANY: MR. ANUPAM KANSAL, MS. NAINA KANSAL AND MS. ROSE KANSAL**

### DETAILS OF THE ISSUE

**INITIAL PUBLIC ISSUE OF UP TO 13,08,000\* EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO Rs. [●] LAKHS ("ISSUE / OFFER"). THIS ISSUE INCLUDES A RESERVATION OF UP TO 66,000\* EQUITY SHARES AGGREGATING TO Rs. [●] LAKHS FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.**

*\*Subject to finalization of basis of allotment and lot size.*

**THE PRICE BAND WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, FINANCIAL EXPRESS AND ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER, JANSATTA, EACH WITH WIDE CIRCULATION, AND MEERUT EDITION OF PRATAH KIRAN, HINDI BEING THE REGIONAL LANGUAGE OF MEERUT WHERE THE REGISTERED OFFICE OF OUR COMPANY IS SITUATED, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.**

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least three additional working days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of one working day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. For further details, please refer to the chapter titled "Issue Procedure" beginning on page 268.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10. The Issue Price, Floor Price or the Price Band 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 active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to refer to the section titled "Risk Factors" beginning on page 29.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring 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 Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE). Our Company has received an in-principle approval letter dated May 23, 2025 from BSE for using its name in the issue document for listing of our Equity Shares on the SME Platform of BSE Limited (BSE). For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

### BOOK RUNNING LEAD MANAGER TO THE ISSUE



**KHAMBATTA SECURITIES LIMITED**  
 806, 8th Floor, Tower-B, World Trade Tower,  
 Noida Sector-16, Uttar Pradesh-201301, India.  
 Tel: +91-9953989693, 0120-4415469  
 Email: [ipo@khambattasecurities.com](mailto:ipo@khambattasecurities.com)  
 Investor Grievance Email:  
[mbcomplaints@khambattasecurities.com](mailto:mbcomplaints@khambattasecurities.com)  
 Website: [www.khambattasecurities.com](http://www.khambattasecurities.com)  
 Contact Person: Mr. Chandan Mishra  
 SEBI Registration No.: INM000011914

### REGISTRAR TO THE ISSUE



**MAASHITLA SECURITIES PRIVATE LIMITED**  
 451, Krishna Apra Business Square, Netaji Subhash  
 Place, Pitampura, New Delhi-110034, India.  
 Tel: 011-47581432  
 Email: [ipo@maashitla.com](mailto:ipo@maashitla.com)  
 Investor Grievance Email: [Investor.ipo@maashitla.com](mailto:Investor.ipo@maashitla.com)  
 Website: [www.maashitla.com](http://www.maashitla.com)  
 Contact Person: Mr. Mukul Agrawal  
 SEBI Regn. No.: INR000004370

### BID/ ISSUE PROGRAMME

**BID/ ISSUE OPENS ON\*: MONDAY, SEPTEMBER 01, 2025**

**BID/ ISSUE CLOSURES ON\*: WEDNESDAY, SEPTEMBER 03, 2025\*\***

\*Our Company in consultation with the BRLM may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.  
 \*\*The UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Day.



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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

In this Red Herring Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

Company Related Terms	
Term	Description
AoA / Articles / Articles of Association	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Company, constituted on November 21, 2024, in accordance with Section 177 of the Companies Act, 2013, as described in the chapter titled “ <i>Our Management</i> ” beginning on page 177.
Auditors / Statutory Auditors / Peer Reviewed Auditors	The Statutory Auditors of our Company, currently being M/s Singhal Gupta & Co. LLP, having their office at S.M. Kuteer, Mandir Marg, 92, Civil Lines, Meerut, Uttar Pradesh- 250001, India.
Banker to our Company	Federal Bank Limited.
Board of Directors / Board / Directors (s)	The Board of Directors of Rachit Prints Limited, including all duly constituted Committees thereof as the context may refer in the chapter titled “ <i>Our Management</i> ” beginning on page 177.
Chief Financial Officer /CFO	The Chief Financial Officer of our Company is Ms. Garima Moorjani.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company is Ms. Ayushi Verma.
Corporate Identification Number / CIN	U22190UP2003PLC027364
Debt-equity ratio (times)	The debt to equity ratio compares an organization's liabilities to its shareholder’s equity and is used to gauge how much debt or leverage the organization is using.
Equity Shares	Equity Shares of our Company of face value of Rs.10/- each fully paid-up.
Equity Shareholders / Shareholders	Persons / entities holding Equity Share of our Company.
Executive Directors	Executive Directors are the Managing Director, Director & Whole-Time Director other than Non-Executive Directors and Independent Directors of our Company.
Group Entities /Group Companies	In terms of SEBI ICDR Regulations, the term “ <i>Group Companies</i> ” includes companies/entities (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Standalone Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Entities</i> ” beginning on page 197.
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to the chapter titled “ <i>Our Management</i> ” beginning on page 177.
ISIN (Equity)	International Securities Identification Number in this case being INE0ZN101029.



Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013, together with the Key Managerial Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 177.
Managing Director/MD	The Managing Director of our Company is Mr. Anupam Kansal.
Materiality Policy	The policy adopted by our Board on October 01, 2024 and amended policy dated May 14, 2025 for identification of Group Entities, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Net Debt	Net debt helps the management to determine whether a company is over leveraged or has too much debt given its liquid assets.
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.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on November 21, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in the chapter titled “ <i>Our Management</i> ” beginning on page 177.
Non-Executive Director	A Director not being an Executive Director.
Operating Cash Flows	Operating cash flows activities provides how efficiently our company generates cash through its core business activities.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Promoter(s)	Mr. Anupam Kansal, Ms. Naina Kansal and Ms. Rose Kansal.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 192.
Registered Office	The Registered office of our Company is situated at B-9, 10 & 11, Udyog Puram Delhi Road, Partapur, Meerut, Uttar Pradesh- 250103, India.
Registrar of Companies / RoC	Registrar of Companies, Kanpur situated 37/17, Westcott Building, The Mall, Kanpur-208001, Uttar Pradesh.
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.
Restated Financial Statements/ Standalone Financial Statements	Restated Standalone Financial Statements of our Company for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 (prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises the restated summary statement of assets & liabilities, the restated summary statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto.



Senior Management Personnel/ SMPs	Senior Management Personnel shall mean the officers and personnel of the listed entity 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 Stakeholders' Relationship Committee of our Company, constituted on November 21, 2024 in accordance with Section 178(5) of the Companies Act, 2013, the details of which are provided in the chapter titled " <i>Our Management</i> " beginning on page 177.
Whole-Time Director/ WTD	The Whole-Time Director of our Company is Ms. Naina Kansal.

#### Issue Related Terms

Term	Description
Addendum	The addendum dated May 14, 2025 to the Draft Red Herring Prospectus, filed by our Company with Stock Exchange.
Allocation / Allocation of Equity Shares	Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment / Allot / Allotted	Issue and allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicants to whom Equity Shares of our Company are allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount.
ASBA Application location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/ applicants(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account is opened in this case, being Axis Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 268.
Bid	An indication to make an offer during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, pursuant to submission of the Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of this Red Herring



	Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	The date after which the Designated Intermediaries will not accept any Bids and will be advertised in all editions of the English national newspaper Financial Express and all editions of the Hindi national newspaper, Jansatta, and Meerut edition of Pratah Kiran, Hindi being the regional language of Meerut where the registered office of our Company is situated. Our Company in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchange, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	, the date on which the Designated Intermediaries shall start accepting Bids and will be advertised in all editions of the English national newspaper, Financial Express and all editions of the Hindi national newspaper, Jansatta, and Meerut edition of Pratah Kiran, Hindi being the regional language of Meerut where the registered office of our Company is situated.
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/ Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
Bidder/Applicant/Investor	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Khambatta Securities Limited, SEBI Registered Category I Merchant Banker.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Capex	Capital Expenditure.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange



	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.
CY	Current Year
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum 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 Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Stock Exchange	SME Platform of BSE Limited.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> .
Draft Red Herring Prospectus/ DRHP	The Draft Red Herring Prospectus dated December 02, 2024 read with Addendum dated May 14, 2025 filed with the Stock Exchange and issued in accordance with section 26 and 32 of the Companies Act, 2013 and filed with the BSE SME under SEBI (ICDR) Regulations.
D&B	Dun & Bradstreet.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Offer and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account or UPI linked account number held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
Fugitive Economic Offender	An individual who has committed the specified offence(s) under the Fugitive Economic Offenders Act, 2018 involving an amount of one hundred crore rupees or more and has absconded from India or refused to come back to India to avoid or face criminal prosecution in India.
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document



	shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
Individual Investor(s) who applies for minimum application size/ Individual Investor(s)/ Individual Bidder(s)/Individual Applicant(s)	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, are those who shall apply for minimum application size of 2 lots in public issue, provided minimum application size shall be above Rs. 2 lakhs.
Issue / Issue Size/ Initial Public Offer/ Initial Public Issue / Initial Public Offering/ IPO	Public Issue of up to 13,08,000 Equity Shares of face value of Rs. 10/- each fully paid of Rachit Prints Limited for cash at a price of Rs. [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating to Rs. [●] Lakhs.
Issue Agreement	The agreement dated November 22, 2024 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being Rs. [●] per Equity Share of face value of Rs.10/- each fully paid.
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. [●] Lakhs.
Issue / Issue Size/ Initial Public Offer/ Initial Public Issue / Initial Public Offering/ IPO	Public Issue of up to 13,08,000 Equity Shares of face value of Rs. 10/- each fully paid of Rachit Prints Limited for cash at a price of Rs. [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating to Rs. [●] Lakhs.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Making Agreement	Market Making Agreement dated July 18, 2025 between our Company, BRLM and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Prabhat Financial Services Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of 66,000 Equity Shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lakhs for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue, excluding the Market Maker Reservation Portion, of 12,42,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. [●]/- Equity Share aggregating to Rs. [●] Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 90.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
Non - Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.



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 and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with ROC containing, <i>inter alia</i> , the Bid/Issue opening and closing dates and other information.
Public Issue Account	Account has been opened with the Banker to the Issue / Public Issue Bank i.e. Axis Bank Limited by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement/Sponsor Bank Agreement	Agreement dated July 28, 2025 entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/ Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	QIBs, as defined in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund and alternative investment fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 25 crore, pension fund with minimum corpus of Rs. 25 crore, NIF, 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 and systemically important non-banking financial companies.
Red Herring Prospectus / RHP	The Red Herring Prospectus dated August 21, 2025 filed with RoC and issued in accordance with section 26 and 32 of the Companies Act, 2013 and filed with the SME Platform of BSE under SEBI (ICDR) Regulations.
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank(s)/ Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Banker to the Issue at which the Refund Accounts opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.bseindia.com/members/MembershipDirectory.aspx">https://www.bseindia.com/members/MembershipDirectory.aspx</a>
Registrar of Companies/ ROC	Registrar of Companies, Kanpur.



Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Maashitla Securities Private Limited having registered office at 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, North West, New Delhi – 110034, India.
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SME Platform of BSE Limited	The SME Platform of BSE Limited for Listing of Equity Shares, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI (ICDR) Regulations.
SCSB/ Self Certified Syndicate Banker.	Shall mean a Banker to the Issue registered under SEBI (Bankers to an Offer) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the individual investor into the UPI.
Syndicate Member	Syndicate Member is an intermediary registered with the Board and who is permitted to accept bids, applications and place orders with respect to the Issue and carry on the activity as an Underwriter. In our case Prabhat Financial Services Limited.
Syndicate Agreement	Syndicate Agreement dated July 18, 2025 between our Company, the Book Running Lead Manager, the Syndicate Member and the Registrar to the Issue.
Total income	Total income is used by the management to track revenue from operations and other income.
Underwriters	Underwriters to the issue are Khambatta Securities Limited and Prabhat Financial Services Limited.
Underwriting Agreement	The agreement dated August 08, 2025 entered into between the Underwriters and our Company.
UPI Mechanism	The bidding mechanism that may be used by an Individual Investors to make an application in the Issue in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.
Unified Payments Interface	It is an instant payment system developed by National Payments Corporation of India which allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's Bank account.
UPI ID	ID created on Unified Payment Interface.
UPI Mandate Request	A request (intimating the Individual Investors by way of a notification on the UPI application and by way of a SMS directing the Individual Investors to such UPI application) to the Individual Investors initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI PIN	Password to authenticate transaction through UPI mechanism.
Wilful Defaulter	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which 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.



Working Day	<p>In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business:</p> <ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and Bid/Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in the Red Herring Prospectus are open for business.</li> <li>2. In respect to the time period between the Bid/Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</li> </ol>
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#### Technical and Industry Terms

Term	Description
ATUF	Amended Technology Upgradation Fund Scheme
B2B	Business-to-Business
BOD	Biochemical Oxygen Demand
BRICS	Brazil Russia India China and South
CHCDS	Comprehensive Handicrafts Cluster Development Scheme
COD	Chemical Oxygen Demand
CAGR	Compound Annual Growth rate
Customer/ Clients	The entities that avail of the products of our Company on a commercial basis
Debt equity ratio / Debt to equity	Total borrowings (aggregate of non-current borrowings, current maturities of non-current borrowings and current borrowings) / total equity (aggregate of equity share capital and other reserves)
DGFT	Directorate General of Foreign Trade
DPIIT	Department for promotion of industry and internal trade.
Debt to equity	This represent our financial leverage and is computed as total borrowings of the Company with total equity
EBIT	EBIT provides information regarding the operational efficiency of the business after deducting depreciation and amortization cost
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 the business.
ECB	European Central Bank
ECLGS	Extended Emergency Credit Linked Guarantee Scheme
Employees	All the personnel employed by our Company to provide its service directly or indirectly including on site
EMDE	Emerging Market and Developing Economies
EPFO	Employees Provident Fund Organisation
ETP	Effluent Treatment Plant
EU	European Union
FICCI	Federation of Indian Chambers of Commerce and Industry
GFCF	Gross fixed capital formation
G7	the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada
HP	Horsepower
IT	Information technology
IEC	Import Export Code
ISO	International Organization for Standardization



KVIC	National Board of Khadi and Village Industries Commission
Location	All the sites where our Company is providing its services
MAI	Market Access Initiative
MEIS	Merchandise Exports from India Scheme
MMF	Man Made Fiber
Mtrs	Meters
MW	Megawatt
MSME	Micro Small and Medium Enterprise
Mn	Million
Net Debt	This is the absolute measure of the level of leverage in the Company
Net Debt to equity	This is the absolute measure of the level of leverage in the Company to total equity
NHDP	National Handicraft Development Programme
NIC	National Informatics Centre
OEEM	Online Continuous Effluent Monitoring System
OECD	Organization for Economic Cooperation and Development
pH	Potential of Hydrogen
PAT	PAT refers to profit after tax and provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of the business.
Pcs	Pieces
pH	Potential of Hydrogen
PFCE	Private Consumption Trend in India
QCOs	Quality Control Orders
Revenue from operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
R&D	Research & Development
ROA	Return on Asset
Return on Equity (RoE) (%)	ROE provides how efficiently our company generates profits from shareholders fund
Return on Capital Employed (RoCE) (%)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business.
RMGs	Readymade Garments
RoSCTL	Rebate of State and Central Taxes and Levies
SITP	Scheme for Integrated Textile Parks
SME	Small Medium Enterprises
Sq. Mtrs	Square Meters
SSI	Small Scale Industries
TEXPROCIL	Textiles Export Promotion Council
Total Income	Total Income includes the total revenue of the business after considering income from all sources, excluding finance income and helps our Company to assess the scale of the business.
TPA	Tonnes per annum
TSS	Total Dissolved Solids
UPI	Unified Payments Interface
USD	US Dollar
WEO	World Economic Outlook
WHO	World Health Organization



## Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous Companies law or of this Act.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B. Com	Bachelor's Degree in Commerce
B. Sc	Bachelor' Degree in Science
BIFR	Board for Industrial and Financial Reconstruction
B.Tech	Bachelors of Technology
BSE	BSE Limited
BIS	Bureau of Indian Standards
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Capex	Capital Expenditure
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CGA	Controller General of Accounts
CIN	Corporate Identification Number
CMIE	Centre for Monitoring Indian Economy
Companies Act	The Companies Act, 2013 as amended from time to time, including sections of Companies Act, 1956 wherever applicable.
COVID - 19	Coronavirus disease
CPI	Consumer Price Index
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBITDA	Earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense, exceptional items and total tax expenditure to the restated profit for the year/period
ECS	Electronic Clearing Services
EGM	Extra-ordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPC	Export Promotion Councils
EPS	Earnings per Share
ERP	Enterprise Resource Planning
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account



Term	Description
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FTP	Foreign Trade Policy
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F.Y.	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
GST	Goods & Service Tax
GVA	Gross Value Added
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles in India
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
IIP	Index for Industrial Production
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 177.
KPI	Key Performance Indicators
LLB	Bachelors of Law or Bachelor of Legislative Law
LLM	Masters of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MBA	Masters in Business Administration
MCA	Ministry of Corporate Affairs
M.Com	Masters Degree in Commerce
M. Sc	Masters Degree in Science
MD	Managing Director
MIM	Mutual Investment Model



Term	Description
MoU	Memorandum of Understanding
MNC	Multinational Corporation
MOSPI	Ministry of Statistics & Programme Implementation
N/A or NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
P.A.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax provides information regarding the overall profitability of the business
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
PMI	Purchasing Managers' India
SME	Small Medium Enterprises
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
ROE	Return on Equity provides how efficiently our Company generates profits from shareholders' funds.
RoNW	Return on Net Worth.
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SAE	Second Advance Estimates
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.



Term	Description
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI Regulations/ SEBI ICDR Regulations/ ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations/ SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Insider Trading Regulations/ SEBI PIT Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SPOS	Special Pre-Open Session
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	BSE Limited
Sq.	Square
Sq. mtr	Square Meter
SWOT	Strength Weakness Opportunity Threat
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
UPI	Unified Payments Interface
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WCR	Working Capital Requirements
WDV	Written Down Value
w.e.f.	With effect from
WPI	Wholesale Price Index
WTD	Whole-Time Director
YoY	Year over Year

Notwithstanding the following: -

- 1) In the chapter titled '*Main Provisions of the Articles of Association*' beginning on page 306, defined terms shall have the meaning given to such terms in that chapter;
- 2) In the chapter titled '*Financial Information*' beginning on page 201, defined terms shall have the meaning given to such terms in that chapter;
- 3) In the chapter titled "*Statement of Possible Tax Benefits*" beginning on page 112, defined terms shall have the meaning given to such terms in that chapter.



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated standalone financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Information*’ beginning on page 201. Our restated standalone financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in the chapters titled “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated standalone financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Information*’ beginning on page 201.

### CURRENCY OF PRESENTATION

In this Red Herring Prospectus, references to “Rupees” or “Rs.” or “₹” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

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

### INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Red Herring Prospectus have been prepared by Dun & Bradstreet. Dun & Bradstreet has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness, the data has been obtained from IMF Global GDP, IMF World Economic Outlook, IMF, OECD, and World Bank, D&B Estimates, World Economic Outlook, Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023-24 RE stands for Revised Estimates, Ministry of Statistics & Programme Implementation (MOSPI), MOSPI, CMIE Economic Outlook and Dun & Bradstreet Research Estimates, , Office of Economic Advisor, CMIE Industry Outlook (sourced from Central Statistics Office Data), Ministry of Commerce.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been



independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further the extent to which the market and industry data presented in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.



## FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from our expectations include, among others:

- Increased competition in our Industry;
- Increase in the statutory dues payable to the on-site technical employees and other employee benefit expenses.
- Competition from international and domestic companies
- Our ability to attract and retain talented personnel;
- Any disruption in Home Textile industry;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Higher interest outgo on our loans primarily for funding our working capital requirements
- Our ability to successfully implement our growth strategy and expansion plans;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;

For a further discussion of factors that could cause our actual results to differ, refer the chapters titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 29 and 210 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date. Neither we, our Directors, Underwriters, Merchant Banker 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, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.



## SECTION II – SUMMARY OF OFFER DOCUMENT

### SUMMARY OF OUR BUSINESS

Our Company is engaged in the manufacturing of Speciality fabric tailored for mattresses such as knitted fabric, printed fabric, warp knit, pillow fabric, Binding Tape and trading of the comforters and bedsheets. Our production process begins with yarn procurement and encompasses inhouse weaving, designing, printing, and finishing, resulting in knitted and printed fabrics crafted to meet our clients' customized specifications. Specializing in knitted Fabrics, printed Fabrics, and warp knit, we source yarn and chemicals to produce specialized textiles. Our Company is specialised in converting yarn into fabric through knitting of fabrics and printing.

For more details, please refer to the chapter titled “*Our Business*” beginning on page 141.

### SUMMARY OF OUR INDUSTRY

Established in 2003, Rachit Prints Limited, formerly known as Rachit Prints Private Limited, operates as the manufacturer of speciality fabrics for the mattress industry. Rachit Prints specialises in the production of fabric for the mattress industry the key products are Knitted fabric, printed fabric, warp knit, comforters, Binding Tape, Flame resistant fabric. For more details, please refer to the chapter titled “*Our Industry*” beginning on page 115.

### OUR PROMOTERS

The promoters of our Company are Mr. Anupam Kansal, Ms. Naina Kansal and Ms. Rose Kansal.

### SIZE OF ISSUE

Present Issue of Equity Shares by our Company	Up to 13,08,000 Equity shares of face value of Rs.10/- each for cash at a price of Rs. [●] per Equity shares aggregating to Rs. [●] Lakhs.
Of which:	
Issue Reserved for the Market Maker	66,000 Equity shares of face value of Rs.10/- each for cash at a price of Rs. [●] per Equity shares aggregating to Rs. [●] Lakhs.
Net Issue	12,42,000 Equity shares of face value of Rs.10/- each for cash at a price of Rs. [●] per Equity shares aggregating to Rs. [●] Lakhs.

For further details, please refer to the chapter titled “*Terms of the Issue*” beginning on page 253.

### OBJECTS OF THE ISSUE

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

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
1.	Working Capital Requirement	950.00
2.	To fund the expansion plan of the Company i.e. Capital expenditure towards purchase of Plant and Machinery.	440.00
3.	Partial Pre-payment of term loans to bank.	132.00
4.	General Corporate Purposes*	[●]
<b>Total</b>		<b>[●]</b>

\*To be determined on finalisation of the Issue Price and updated in the Prospectus. The amount utilised for General Corporate Purposes shall not exceed 15% of the Gross Proceeds of the Fresh Issue or Rs. 1,000.00 Lakhs, whichever is lower.

For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 90.



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

Set forth is the Pre-issue and Post-issue shareholding of our Promoters, Promoter Group as a percentage of the Paid-up Share Capital of our Company:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital*
(I)	(II)	(III)	(IV)	(V)	(VI)
<b>Promoters</b>					
1	Mr. Anupam Kansal	16,67,750	45.97	16,67,750	33.79
2.	Ms. Naina Kansal	16,67,750	45.97	16,67,750	33.79
3.	Ms. Rose Kansal	2,625	0.07	2,625	0.05
<b>Promoters Group</b>					
4.	Mr. Karan Kansal	2,625	0.07	2,625	0.05
5.	Mr. Amit Jaitly	437	0.01	437	0.01
	<b>Total</b>	<b>33,41,187</b>	<b>92.09</b>	<b>33,41,187</b>	<b>67.69</b>

*\*Subject to the finalisation of the basis of allotment.*



**AGGREGATE SHAREHOLDING OF PROMOTERS / PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT**

Sr. No.	Name of the Shareholders	Pre-Issue shareholding as at the date of Advertisement <sup>(2)</sup>		Post-Issue shareholding as at Allotment <sup>(3)</sup>			
				At the lower end of the price band (Rs. [●])		At the upper end of the price band (Rs. [●])	
				Number of Equity Shares <sup>(2)</sup>	Shareholding (in %) <sup>(2)</sup>	Number of Equity Shares <sup>(2)</sup>	Shareholding (in %) <sup>(2)*</sup>
<b>A. Promoters</b>							
1.	Anupam Kansal	16,67,750	45.97	16,67,750	33.79	16,67,750	33.79
2.	Naina Kansal	16,67,750	45.97	16,67,750	33.79	16,67,750	33.79
3.	Rose Kansal	2,625	0.07	2,625	0.05	2,625	0.05
<b>Total (A)</b>		<b>33,38,125</b>	<b>92.01</b>	<b>33,38,125</b>	<b>67.63</b>	<b>33,38,125</b>	<b>67.63</b>
<b>B. Promoters Group <sup>(1)</sup></b>							
1.	Karan Kansal	2,625	0.07	2,625	0.05	2,625	0.05
2.	Amit Jaitly	437	0.01	437	0.01	437	0.01
<b>Total (B)</b>		<b>33,41,187</b>	<b>0.08</b>	<b>3,062</b>	<b>0.06</b>	<b>3,062</b>	<b>0.06</b>
<b>Total shareholding of Promoters and Promoter Group (A+B)</b>		<b>55,08,898</b>	<b>92.09</b>	<b>33,41,187</b>	<b>67.69</b>	<b>33,41,187</b>	<b>67.69</b>
<b>C. Top 10 Shareholders of the Company as at Allotment (other than A &amp; B above)</b>							
1.	Deepika Tandon	49,600	1.37	49,600	1.00	49,600	1.00
2.	Ashu Kumar Aggarwal	19,200	0.53	19,200	0.39	19,200	0.39
3.	Kapoor Infra Home Private Limited	19,200	0.53	19,200	0.39	19,200	0.39
4.	Manish Garg	19,200	0.53	19,200	0.39	19,200	0.39
5.	Vinay Kumar Chawla	19,200	0.53	19,200	0.39	19,200	0.39
6.	VS Finycore Private Limited	18,400	0.51	18,400	0.39	18,400	0.37
7.	Setu Goel	11,200	0.31	11,200	0.23	11,200	0.23
8.	Anuradha Gupta	9,600	0.26	9,600	0.19	9,600	0.19
9.	Vrinda Aggarwal	9,600	0.26	9,600	0.19	9,600	0.19
10.	Anila Jain	9,600	0.26	9,600	0.19	9,600	0.19
<b>Total (C)</b>		<b>1,84,800</b>	<b>5.09</b>	<b>1,84,800</b>	<b>3.74</b>	<b>1,84,800</b>	<b>3.74</b>

\*Subject to finalisation of the basis of allotment.



**Notes:**

1. The Promoter Group shareholders are Karan Kansal and Amit Jaitly.
2. Includes all options that have been exercised until date of this Red Herring Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of this Red Herring Prospectus.
3. Based on the Issue price of Rs. [●] and subject to finalization of the basis of allotment.

**SUMMARY OF RESTATED STANDALONE FINANCIAL STATEMENTS**

The details are as follows:

(Rs. in Lakhs)

Key Financial Performance	For the Financial year ended March 31st		
	2025	2024	2023
Revenue from Operations <sup>(1)</sup>	4,170.32	3,708.26	3,232.21
Total Income <sup>(2)</sup>	4,178.43	3,711.11	3,238.75
EBITDA <sup>(3)</sup>	722.78	427.17	200.84
EBITDA Margin <sup>(4)</sup>	17.33%	11.52%	6.21%
PAT	456.18	202.99	32.30
PAT Margin <sup>(5)</sup>	10.94%	5.47%	1.00%
Operating cash flow	46.03	918.71	(136.97)
Net worth <sup>(6)</sup>	1,230.91	546.25	343.26
Net Debt <sup>(7)</sup>	881.39	634.20	1,458.58
Debt Equity Ratio <sup>(8)</sup>	0.75	1.17	4.31
ROCE (%) <sup>(9)</sup>	29.61	27.98	6.41
ROE (%) <sup>(10)</sup>	51.34	45.64	9.87

<sup>1)</sup> Revenue from operation means revenue from sales and other operating revenues.

<sup>2)</sup> Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.

<sup>3)</sup> EBITDA means Profit before depreciation, finance cost, tax and amortization less other income.

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

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

<sup>6)</sup> 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 profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.

<sup>7)</sup> Net debt = Long-Term borrowing + Short-Term borrowing – Cash and Cash Equivalent.

<sup>8)</sup> Debt equity ratio means ratio of total debt (long term borrowing plus short-term borrowing including current maturity of long-term debt) and Equity Share Capital plus other equity.

<sup>9)</sup> Return on Capital Employed is ratio of EBIT (excluding other income) and Capital Employed. Capital Employed is Total Shareholder's Equity, Long-Term Borrowing and Short-Term Borrowing.

<sup>10)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.

**Explanation of KPIs:**

KPI	Explanations
<b>Revenue from Operations</b>	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.



<b>Total income</b>	Total income is used by the management to track revenue from operations and other income.
<b>EBITDA</b>	EBITDA provides information regarding the operational efficiency of the business.
<b>EBITDA Margin (%)</b>	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
<b>PAT</b>	Profit after tax provides information regarding the overall profitability of the business.
<b>PAT Margin (%)</b>	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
<b>Operating Cash Flows</b>	Operating cash flows activities provides how efficiently our company generates cash through its core business activities.
<b>Net Worth</b>	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.
<b>Net Debt</b>	Net debt helps the management to determine whether a company is over leveraged or has too much debt given its liquid assets
<b>Debt-equity ratio (times)</b>	The debt to equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.
<b>ROE (%)</b>	ROE provides how efficiently our Company generates profits from shareholders' funds.
<b>ROCE (%)</b>	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

#### QUALIFICATIONS OF AUDITORS

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

#### SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

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

Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (to the extent ascertainable) (Rs. in Lakhs)
<b>Company</b>						
Litigation by our Company	07	Nil	Nil	Nil	Nil	52.93
Litigation against our Company	Nil	01	Nil	Nil	Nil	48.82
<b>Directors and Promoters</b>						
Litigation by our Directors and Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Litigation against our Directors and Promoters	Nil	Nil	Nil	Nil	Nil	Nil



Group Entities						
Litigation by our Group Entities	Nil	Nil	Nil	Nil	Nil	Nil
Litigation against our Group Entities	Nil	Nil	Nil	Nil	Nil	Nil
Key Managerial Personnel of our Company						
Litigations by our KMPs	Nil	Nil	Nil	Nil	Nil	Nil
Litigations against our KMPs	Nil	Nil	Nil	Nil	Nil	Nil

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

For further details, please refer chapter titled “Outstanding Litigations and Material Developments” beginning on page 223. Further, in addition to that, there could be other litigations & claims filed against the Company, Directors, Promoters, Group Entities and Key Managerial Personnel of our Company, which the Company may not be aware of as on the date of this Red Herring Prospectus.

## RISK FACTORS

For details relating to risk factors, please refer to the chapter titled “Risk Factors” beginning on page 29.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

Except as mentioned below the Company has no contingent liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023:

(Rs. in Lakhs)

Particulars	As at		
	March 31, 2025	March 31, 2024	March 31, 2023
Claims against the Company not acknowledged as debts:			
-Wrongly availed input tax credit of GST	-	-	-
- Sales tax/entry tax	-	-	-
- Income tax	48.82	32.85	-
- GST Demand	-	-	-
- Others	-	-	-
<b>Total</b>	<b>48.82</b>	<b>32.85</b>	<b>-</b>

For further details, please refer to chapter titled “Restated Standalone Financial Statements” beginning on page 201.



## SUMMARY OF RELATED PARTY TRANSACTIONS

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

Description of related parties	
<b>a) Key Management Personnel (KMP)</b>	
Name	Designation
Anupam Kansal	Managing Director
Naina Kansal	Whole – Time Director
Rose Kansal	Non-Executive Director
Ayushi Verma	Company Secretary & Compliance Officer
Garima Moorjani	Chief Financial Officer
<b>b) Relatives of Key Management Personnel</b>	
Name	Relation
Late Indra Jaitly	Mother of Naina Kansal
Rose Kansal	Daughter of Anupam Kansal and Naina Kansal
Karan Kansal	Son of Anupam Kansal & Naina Kansal
Shivani Jaitly	Sister-in-Law of Naina Kansal
Kanti Kansal	Mother of Anupam Kansal
Late Suneeti Gupta	Sister of Anupam Kansal
<b>b) Enterprises significantly influenced / controlled by KMP and their relatives</b>	
Anupam Kansal HUF	
Elite Traders	



(Rs. in lakhs)

Sr. No.	Particulars	Relationships	As a Percentage of	Financial Year Ended					
				31-Mar-25		31-Mar-24		31-Mar-23	
				Amount	(%)	Amount	(%)	Amount	(%)
<b>A.</b>	<b>Transactions during the year</b>								
<b>(i)</b>	<b>Employee benefit expenses</b>								
	Anupam Kansal	Key Management Personnel (KMP) & Directors	Employee benefits expense	30.00	11.61	24.00	10.45	24.00	10.01
	Naina Kansal	Key Management Personnel (KMP) & Directors		30.00	11.61	24.00	10.45	24.00	10.01
	Ayushi Verma	Key Management Personnel (KMP) & Directors		2.56	0.99	-	-	-	-
	Garima Moorjhani	Key Management Personnel (KMP) & Directors		1.25	0.48	-	-	-	-
	Rose Kansal	Relatives of Key Management Personnel & Directors		3.50	1.35	6.09	2.65	6.10	2.54
	Karan Kansal			6.00	2.32	5.50	2.39	-	-
<b>(ii)</b>	<b>Interest Paid</b>								
	Rose Kansal	Relatives of Key Management Personnel & Directors	Finance Cost	-	-	-	-	2.49	2.84
	Kanti Kansal			-	-	-	-	1.93	2.21
<b>(iii)</b>	<b>Washing wages</b>								
	Indra Jaitly	Relatives of Key Management Personnel & Directors	Total Expenses	-	-	15.72	0.46	19.56	0.61
	Suneeti Gupta			11.45	0.32	20.21	0.59	20.16	0.63
<b>(iv)</b>	<b>Kundi Calendering wages</b>								
	Shivani Jaitly	Relatives of Key Management Personnel & Directors		12.69	0.36	10.26	0.30	21.17	0.66
<b>(v)</b>	<b>Purchase</b>								
	Anupam Kansal HUF	Enterprises significantly influenced / controlled by KMP & Directors and their relatives	Total Income	-	-	36.07	1.05	25.68	0.80
	Elite Traders			133.03	3.73	91.70	2.67	82.19	2.57
<b>(vi)</b>	<b>Sale of Goods</b>								
	Anupam Kansal HUF	Enterprises significantly influenced / controlled by KMP & Directors and their relatives	Total Income	-	-	-	-	18.88	0.58
	Elite Traders			262.86	6.29	141.03	3.80	132.27	4.08



<b>(vii)</b>	<b>Loan Taken</b>								
	Anupam Kansal	Key Management Personnel (KMP) & Director		9.50	-	10.00	-	91.11	-
	Naina Kansal	Key Management Personnel (KMP) & Director		98.74	-	227.50	-	125.61	-
	Rose Kansal	Relatives of Key Management Personnel & Directors		-	-	15.25	-	-	-
	Karan Kansal	Relatives of Key Management Personnel & Directors		-	-	0.25	-	-	-
<b>(viii)</b>	<b>Repayment of Loan</b>								
	Anupam Kansal	Key Management Personnel (KMP) & Director		48.45	-	18.05	-	39.12	-
	Naina Kansal	Key Management Personnel (KMP) & Director		230.71	-	190.69	-	5.56	-
	Rose Kansal	Relatives of Key Management Personnel & Directors		1.32	-	15.05	-	85.11	-
	Karan Kansal	Relatives of Key Management Personnel & Directors		0.25	-	-	-	-	-
	Kanti Kansal	Relatives of Key Management Personnel & Directors		-	-	-	-	0.51	-

Closing balance at the end of the financial year				
Name of related party & Nature of relationship	Nature of Transactions	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Anupam Kansal	Loan Taken	42.72	81.67	89.72
Naina Kansal	Loan Taken	32.99	164.95	128.14
Karan Kansal	Loan Taken	-	0.25	-
Rose Kansal	Loan Taken	8.57	9.89	9.69

For further details, please refer to chapter titled “*Restated Standalone Financial Statements*” beginning on page 201.



## FINANCING ARRANGEMENTS

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

## WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN LAST ONE YEAR

Our Promoters have not acquired any equity shares of our Company in last one year from the date of this Red Herring Prospectus.

## AVERAGE COST OF ACQUISITION OF PROMOTERS

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Anupam Kansal	16,67,750	3.26
Ms. Naina Kansal	16,67,750	2.36
Ms. Rose Kansal	2,625	5.71

*\*The Average Cost of Acquisition of Equity Shares by the Promoters of the Company has been certified by the Statutory Auditor vide its certificate dated November 14, 2024 bearing UDIN: 24420018BKDNPD6392.*

## DETAILS OF PRE-IPO PLACEMENT

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

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

Our Company has not issued any shares in the last one year from the date of this Red Herring Prospectus.

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

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

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

Our Company has not filed any application to SEBI with regard to exemption from complying with any provisions of securities laws.



### SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Red Herring Prospectus when available, particularly the chapters titled the “*Our Business*”, “*Our Industry*” “*Restated Standalone Financial Statements*” and related notes thereon and “*Management’s Discussions and Analysis of Financial Conditions and Results of Operations*” beginning on pages 141, 115, 201 and 210 respectively and the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse impact on our business, results of operations, cash flows and financial condition. If any or a combination of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition may be adversely affected, the price of the Equity Shares could decline, and you may lose all or part of your investment.

In making an investment decision, as prospective investors, you must rely on your own examination of us and the terms of the Issue, including the merits and the risks involved. You should consult your tax, financial, legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. To obtain a complete understanding of our business, you should read this section in conjunction with the chapters titled “*Our Industry*”, “*Our Business*”, and “*Restated Standalone Financial Statements*” beginning on pages 115, 141 and 201 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.

This Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including the considerations described in this section and elsewhere in this Red Herring Prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Unless otherwise stated, the financial information of our Company used in this section is derived from our audited financial statements under Indian GAAP, as restated.

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

- Some events may not be considered material on an individual basis, their significance may become apparent when assessed collectively.
- Some events may exert a significant material qualitative impact rather than a quantitative one.

Although some events may not be deemed material currently, they could potentially have a significant impact in the future.

*In this Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*



### Internal Risk Factors:

- 1. Our Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.***

Our Company is engaged in the business of manufacturing of printed and knit speciality fabric. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The table below sets out our revenue from our top 1 customer, top 05 customers and top 10 customers, on the basis of revenue contribution, including as a percentage of revenue from operations for the financial years indicated:

(Rs. in Lakhs)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	%*	Amount	%*	Amount	%*
Top 01 Customer	1,498.01	35.92	1,073.75	28.96	1,058.36	32.74
Top 05 Customers	3,442.77	82.55	2,666.40	71.91	2,179.89	67.44
Top 10 Customers	3,710.42	88.97	2,901.35	78.24	2,398.31	74.20

\*% of revenue from operations

The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations.

However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

- 2. We have long-term agreements with two of our top 10 customers only, the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

Our Company has executed Memorandum of Understanding with Sheela Foam Limited and Kurlon Enterprise Limited dated March 20, 2025. Apart from the said agreement, our Company has not entered into long-term agreements with any of its customers. Our Company's relationship with its customers is generally on a non-exclusive basis and accordingly, the customers may choose to cease sourcing the products and choose to source alternative options. Therefore, our Company cannot assure that it will receive repeat orders from its customers in the future. Additionally, the customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet the customers' expectations and specifications could result in the cancellation or non-renewal of work orders. There are also a number of factors, other than the performance, that could cause the loss of a customer such as:

- increase in prices of raw materials and other input costs;
- changes in consumer preferences;
- changes in governmental or regulatory policy, etc.



The revenue generated through these two customers are as under:

(Rs. in Lakhs)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	%*	Amount	%*	Amount	%*
Sheela Foam Limited	1,498.01	35.92	1,073.75	28.96	1,058.36	32.74
Kurlon Enterprise Limited	595.03	14.27	486.79	13.13	562.34	17.40

\*% of revenue from operations

Any of these factors may have an adverse effect on the business, results of operations and financial condition. Further, absence of any contractual exclusivity with respect to the business arrangements with such customers poses a threat on company's ability to be able to continue to supply its products to these customers in the future. If we overestimate demand, we may incur costs to purchase more raw materials and manufacture more products than required.

Accordingly, we face the risk that the customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by our Company) by a significant customer could adversely affect the results of operations by reducing the sales volume, as well as by possibly causing delay in the customers' paying the company for the order placed for purchasing the inventory with them which our Company would have manufactured for the customers. Our Company may not find any customers or purchasers for the surplus or excess capacity in which case our company would be forced to incur a loss.

**3. Our Company is dependent on few suppliers for purchase of raw material. Loss of any of these large suppliers may affect our business operations.**

Our Company is engaged in the business of manufacturing of printed and knitted speciality fabric. Our business operations are highly dependent on our suppliers and the loss of any of our suppliers may adversely affect our purchases and consequently on our business and results of operations. The table below sets out our purchase from our top 01 supplier, top 05 suppliers and top 10 suppliers including as a percentage of purchase of raw material for the financial years indicated:

(Rs. in Lakhs)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	%*	Amount	%*	Amount	%*
Top 01 Supplier	693.84	26.66	360.86	17.00	274.72	12.67
Top 05 Suppliers	1,755.58	67.47	1,120.39	52.78	1,057.51	48.76
Top 10 Suppliers	2,175.73	83.61	1,466.07	69.06	1,356.17	62.54

\*% of purchase of raw material

We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of raw material and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue to seek new suppliers for our raw material for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time. For further details, please refer to the chapter titled "Our Business" beginning on page 141.



4. *We have experienced negative cash flows in relation to our operating activities, investing activities and financing activities for the Financial Year 2022 - 23, 2023 - 24 and 2024 - 25. Any negative cash flows in the future would adversely affect our results of operations and financial condition.*

Our Company had reported certain negative cash flows from its operating activities, investing activities and financing activities in previous years as per the restated standalone financial statements and the same are summarised as under:

(Rs. in Lakhs)

Particulars	For the Financial Year ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Cash flow from Operating activities	46.03	918.71	(136.97)
Cash flow from Investing activities	(484.60)	(34.14)	(209.59)
Cash flow from Financing activities	476.40	(900.75)	227.23

**Cash outflow from Operating activities:**

During Fiscal 2023, the net cash outflow from operating activities was Rs. (136.97) Lakhs due to net increase in inventory by Rs.146.36 Lakhs, short term loans and advances by Rs. 53.25 Lakhs, other current assets by Rs. 77.80 Lakhs and net decrease in trade payables amounting to Rs. 237.71 Lakhs.

**Cash outflow from Investing activities**

During the Fiscal 2025, the net cash outflow was Rs. (484.60) Lakhs mainly due to purchases of plant and machinery for amounting to Rs. 497.06 Lakhs.

During the Fiscal 2024, the net cash outflow was Rs. (34.14) Lakhs mainly due to purchases of plant and machinery amounting to Rs. 115.16 Lakhs.

During the Fiscal 2023, the net cash outflow was Rs. (209.59) Lakhs mainly due to purchases of plant and machinery amounting to Rs. 194.36 Lakhs.

**Cash outflow from Financing activities**

During the Fiscal 2024, our Company has been able to maintain strong operating cash flows during the year, which has significantly contributed to its ability to meet the financial obligations internally. Additionally, our Company received various subsidies from the Government amount to Rs. 80.23 Lakhs & interest amounting of Rs. 10.01 Lakhs on subsidy, which further supported our financial position and operational requirements. Moreover, with timely repayments of existing Long - term & Short - term borrowings amounting to Rs. 273.81 Lakhs & Rs. 566.73 Lakhs, respectively, our overall debt obligations have been systematically reduced and our Company has also incurred Finance Cost of Rs. 60.21 Lakhs during the Fiscal 2024. As a result, our reliance on long-term borrowings has decreased, reflecting our robust financial health and prudent management practices.

5. *Our Company has experienced multiple instances of minor delays in filing of returns required under the CGST Act, 2017, the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance.*

During the past Financial Years, we have had instances of delays in the payment of certain statutory dues with respect to GST, employee provident fund contributions, which have all been paid as on the date of this Red Herring Prospectus. The table below sets forth the details of the statutory dues paid by us in relation to our employees for the periods indicated:



Delays under GST Act regarding GSTR 3B and GSTR1 From F.Y. 2017 to 2023:-

F.Y – 2022-2023				
Sr. No.	Month	Due Date (GSTR-3B)	Date of Filing	No. of Days of delay
1.	October	20-11-2022	21-11-2022	1
F.Y – 2021-2022				
Sr. No.	Month	Due Date (GSTR-3B)	Date of Filing	No. of Days of delay
1.	April	20-05-2021	04-06-2021	15
F.Y – 2020 - 2021				
Sr. No.	Month	Due Date (GSTR-3B)	Date of Filing	No. of Days of delay
1.	April	20-05-2020	27-06-2020	38
2.	July	24-08-2020	15-09-2020	22
3.	September	24-10-2020	28-10-2020	4
F.Y – 2020 - 2021				
Sr. No.	Month	Due Date (GSTR - 1)	Date of Filing	No. of Days of delay
1.	April	11-05-2020	29-06-2020	49
2.	May	11-06-2020	29-06-2020	18
3.	July	11-08-2020	16-09-2020	36
4.	August	11-09-2020	22-09-2020	11
5.	September	11-10-2020	12-10-2020	1
FY - 2019 - 2020				
Sr. No.	Month	Due Date (GSTR-3B)	Date of Filing	No. of Days of delay
1.	June	20-07-2019	23-07-2019	3
2.	August	20-09-2019	21-09-2019	1
3.	November	23-12-2019	24-12-2019	1
4.	December	20-01-2020	21-01-2020	1
5.	Mar	02-05-2020	27-06-2020	56
Sr. No.	Month	Due Date (GSTR - 1)	Date of Filing	No. of Days of delay
1.	June	11-07-2019	20-07-2019	9
2.	July	11-08-2019	22-08-2019	11
3.	August	11-09-2019	20-09-2019	9
4.	September	11-10-2019	20-10-2019	9
5.	October	11-11-2019	20-11-2019	9
6.	November	11-12-2019	23-12-2019	12
7.	January	11-02-2020	24-02-2020	13
8.	February	11-03-2020	02-05-2020	52
9.	March	11-04-2020	02-05-2020	22
F.Y – 2018 - 19				
Sr. No.	Month	Due Date (GSTR-3B)	Date of Filing	No. of Days of delay
1.	December	20-01-2019	21-01-2019	1



Sr. No.	Month	Due Date (GSTR - 1)	Date of Filing	No. of Days of delay
1.	October	11-11-2018	19-11-2018	8
2.	November	11-12-2018	12-12-2018	1
3.	January	11-02-2019	12-02-2019	1
<b>F.Y – 2017 - 18</b>				
Sr. No.	Month	Due Date (GSTR-3B)	Date of Filing	No. of Days of delay
1.	September	20-10-2017	24-10-2017	4
2.	December	22-01-2018	06-02-2018	15
3.	January	20-02-2018	28-02-2018	8

**Note:** There have been no delays in filling of the GSTR – 3B and GSTR - 1 in the FY 2023 – 24 and FY 2024 – 25.

**Details of delay filing of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and ESI Act from FY 2021 till FY 2025: -**

<b>For the FY 2024 - 2025</b>				
Month	Amount (in Rs.)	Actual Date	Due Date of EPF	No. of days of Delays
April, 2024	4,541	17-05-24	15-05-24	2
June, 2024	4,688	18-07-24	15-07-24	3
November, 2024	4,304	18-12-24	15-12-24	3
Month	Amount (in Rs.)	Actual Date	Due Date of ESI	No. of days of Delays
April	34,146	16-05-24	15-05-24	1
February	38,128	17-03-24	15-03-24	2
June	42,270	18-07-24	15-07-24	3
July	40,396	27-08-24	15-08-24	12
November	40,002	18-12-24	15-12-24	3
<b>For the FY 2023 - 2024</b>				
Month	Amount (in Rs.)	Actual Date	Due Date of EPF	No. of days of Delays
April	40,625	16-05-2023	15-05-2023	1
February	43,520	22-03-2024	15-03-2023	7
Month	Amount (in Rs.)	Actual Date	Due Date of ESI	No. of days of Delays
April	3,639	16-05-2023	15-05-2023	1
January	2,477	16-02-2024	15-02-2024	1
February	4,975	22-03-2024	15-03-2024	7
<b>For the FY 2022 - 2023</b>				
Month	Amount (in Rs.)	Actual Date	Due Date of EPF	No. of days of Delays
July	28,701	17-08-2022	15-08-2022	2
January	49,875	23-02-2023	15-02-2023	8
Month	Amount (in Rs.)	Actual Date	Due Date of ESI	No. of days of Delays
July	5,546	17-08-2022	15-08-2022	2
January	4,372	23-02-2023	15-02-2023	8
February	4,372	15-11-2024	15-03-2023	609



For the FY 2021 - 2022				
Month	Amount (in Rs.)	Actual Date	Due Date of EPF	No. of days of Delays
May	29,878	16-06-2021	15-06-2021	1
June	72,770	16-07-2021	15-07-2021	1
September	30,979	16-10-2021	15-10-2021	1
February	31,071	16-03-2022	15-03-2021	1
Month	Amount (in Rs.)	Actual Date	Due Date of ESI	No. of days of Delays
September	3,929	16-10-2021	15-10-2021	1
February	5,903	16-03-2022	15-03-2021	1

These delays were primarily due to the administrative and technical errors. We have since taken steps such as channelling more resources towards improving our administrative systems and training our staff to rectify such delays. However, there can be no assurance that such delays may not arise in the future. This may lead to financial penalties from respective government authorities. While we have been required to make payment of fines/penalties for delays in payment of such statutory dues, wherever applicable, these have not been material in nature. However, we cannot assure you that we will not be subject to such penalties and fines in the future which may have a material adverse impact on our financial condition and cash flows.

**6. Our Company was incorporated in the year 2003 and some of our corporate records including forms filed with the Registrar of Companies are not traceable. Certain forms we cannot assure you that these forms filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect which may impact our financial condition and reputation.**

Our Company is unable to trace certain corporate records and other documents in relation to our Company including forms filed with the Registrar of Companies (RoC) prior to the year 2006, which are mention below:

1. Form - 32 for appointment of First Directors and filed prior to year 2016.
2. Form- 32 for appointment, regularization of Ms. Naina Kansal and Kanti Kansal are missing for the FY 2003-2004.
3. Form- 2 for return of allotment for the FY 2003-2004.
4. Partnership deed for the takeover of the business of the M/s Rachit Prints by Rachit Prints Private Limited.
5. Share transfer deeds and gift deeds.

*There have also been discrepancies and typographical errors in executing the following documents:*

1. Mistake in Form -PAS 3 for return of allotment dated March 20, 2016, Right Issue done at face value of Rs. 10 for 1,83,500 Equity Shares, actual face value was Rs. 100 each and number of shares was 18,350 equity shares in the Form- PAS 3 as well as in the attachments also.
2. Form- PAS 3 for return of allotment dated July 09, 2016 for the Right Issue of 41,000 equity shares of face value of Rs. 100 each at a Premium of Rs. 71 was erroneously filed with wrong attachments.
3. Attachment in Form 2 for return of allotment dated March 19, 2010 has been filed erroneously by mentioning the incorrect face value.
4. In Share Transfer deeds dated March 13, 2020, distinctive numbers are wrongly mentioned in Form SH4.

Further, due to change in methods of record keeping with the concerned RoC, certain forms are not traceable filed with RoC prior to the year 2006, could not be traced by our Company from RoC records. Under the circumstances



elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of our Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matters pertaining to such period and relating to such documents which have been lost and to that extent the same may adversely affect our business operations.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the unavailable filings and statutory lapses as on the date of this Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against our Company in the future in relation to the missing filings and corporate records. The actual amount of the penalty which may be imposed or loss which may be suffered by our Company cannot be ascertained at this stage and depends on the circumstances of any potential action which may be brought against our Company. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

In the past we have not faced any legal proceedings and no penalty has been imposed on us by RoC or Ministry of Corporate Affairs (MCA) related to RoC compliances. We have filed GNL-2 dated December 02, 2024 vide SRN AB2033932 and GNL – 2 dated January 30, 2025 vide SRN AB2573594. No show cause notice has been issued, in case penalty is imposed then it will have an impact on the financial position of our Company. We have also taken Certificate for RoC search from Practising Company Secretary, Prachi Bansal & Associates dated April 22, 2025, vide UDIN A043355G000170460.

The table below sets forth the details with respect to additional fee paid by our Company due to late filing of certain RoC Forms:

Financial Year	Forms Name	RoC Fee (in Rs.)	Additional Fee/ Penalty (in Rs.)
2024 -2025	Form DIR -12	600	1,200
	Form MGT- 14	600	1,200
	Form MGT -14	600	1,200
	Form MGT- 14	600	1,200
	Form ADT-1	600	2,400
	Form ADT-1	600	600
2021 – 2022	Form CHG- 1	600	3,600
	Form CHG- 1	600	3,600
2019 – 2020	Form ADT-1	600	6,000
2016 – 2017	Form AOC-4	600	2,400
2010 – 2011	Form -8	1,000	4,500
<b>Total Penalty Paid</b>			<b>27,900</b>

There have also been instances wherein the disclosures made in statutory filings done under Companies Act, 1956/ 2013 are incomplete or erroneous in nature, and revised filing for the same has not been done by our Company. Additionally, there have been instances where e-forms were required to be filed with the RoC but were not filed by our Company on the due date. No show cause notice in respect to the above (non-filing, delayed filing and erroneous filing) has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. Our Company may be required to file/ re-file the e-forms not filed/ erroneously filed, as the case may be, with late fees and penalties. Our Company and its Directors and Key Managerial Personnel may face action against above non-filing, delayed filing or erroneous filing, which may cause a material effect on our results, operations and financial position. Our Company has appointed a Company Secretary & Compliance Officer for statutory compliances, however, it cannot be assured that there will not be such instances in the future, or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same.



We will ensure timely compliance in the future, we have appointed a qualified Company Secretary to oversee all legal and compliance matters and will make sure to timely comply with all the requirements under the relevant laws and regulations.

7. *We do not own our Registered Office & our manufacturing facility and we have only lease rights over such premise. In the event we lose such rights or are required to negotiate it, our cash flows, business, financial conditions and results of operations could be adversely affected.*

Our Registered Office situated at B-9, 10 & 11, Udyog Puram Delhi Road, Partapur, Meerut, Uttar Pradesh-250103, India. is taken on lease. For other details in relation to our Property, please refer to chapter titled “Our Business” beginning on page 141. The lease or license agreement can be terminated, and any such termination could result in change of location. There can be no assurance that we will, in the future, be able to retain, renew or extend the lease for the existing location on same or similar terms, or will be able to find alternate location on similar terms favourable to us, in time or at all. Accordingly, we may experience business disruption, and this may materially and adversely affect our business, financial condition and result of operations.

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

Our manufacturing unit is located at Meerut, Uttar Pradesh which exposes us to risks of concentration.

Geographical revenue bifurcation from the 16 states for preceding three financial years are as under:

**The state wise revenue in last 3 financial years:**

(Revenue = Rs. in Lakhs)

State	March 31, 2025		March 31, 2024		March 31, 2023	
	Revenue	%	Revenue	%	Revenue	%
Assam	1.84	0.04	6.52	0.18	-	-
Delhi	60.00	1.44	116.46	3.14	91.79	2.84
Gujarat	141.91	3.40	19.26	0.52	47.93	1.48
Haryana	143.93	3.45	96.79	2.61	41.36	1.28
Himachal Pradesh	378.03	9.06	702.31	18.94	520.51	16.10
Jammu and Kashmir	11.67	0.28	22.60	0.61	18.15	0.56
Karnataka	196.72	4.72	165.69	4.47	296.24	9.17
Kerala	-	-	12.89	0.35	18.48	0.57
Madhya Pradesh	100.18	2.40	139.66	3.77	143.05	4.43
Maharashtra	154.98	3.72	199.86	5.39	138.63	4.29
Odisha	293.73	7.04	228.68	6.17	192.27	5.95
Punjab	13.86	0.33	21.10	0.57	13.42	0.42
Rajasthan	126.07	3.02	116.93	3.15	119.69	3.70
Tamil Nadu	614.51	14.74	464.17	12.52	257.91	7.98
Telangana	169.03	4.05	190.25	5.13	297.31	9.20
Uttar Pradesh	1,514.87	36.33	1,029.03	27.75	760.10	23.52
Uttarakhand	-	-	2.71	0.07	20.73	0.64
West Bengal	155.15	3.72	128.40	3.46	157.60	4.88



Bihar	-	-	-	-	0.89	0.03
<b>Total</b>	<b>4,076.48</b>	<b>97.75</b>	<b>3,663.31</b>	<b>98.79</b>	<b>3,136.06</b>	<b>97.03</b>

*\*% of Revenue from Operations.*

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

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

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

Our Company proposes to utilize Rs.950.00 lakhs of the Net Proceeds for our estimated working capital requirements. We will utilize Rs. 950.00 lakhs in Fiscal 2026. The balance portion of our Company working capital requirement, if any, shall be met from the working capital facilities availed/ to be availed and internal accruals. For further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 90.

**Working Capital for the last three Financial years of our Company:**

*(Rs. in Lakhs)*

Particulars	Fiscal 2025 (Actual)	No. of days	Fiscal 2024 (Actual)	No. of days	Fiscal 2023 (Actual)	No. of days
<b>Current Assets</b>						
Trade Receivables	793.70	69	650.52	64	632.21	71
Inventories	423.21	37	359.31	35	657.01	74
Loans & Advances	5.10		10.02		133.31	
Other Current Assets	360.44		297.93		243.26	
<b>Total Current Assets (A)</b>	<b>1,582.46</b>		<b>1,317.77</b>		<b>1,665.79</b>	
<b>Current Liabilities</b>						
Trade Payables	335.35	48	621.25	93	472.05	83
Other Current Liabilities	30.71		27.98		31.27	
Short Term Provisions	73.51		62.49		0.00	



<b>Total Current Liabilities (B)</b>	<b>439.56</b>		<b>711.72</b>		<b>503.32</b>	
<b>Total Working Capital Requirements (A+B)</b>	<b>1142.90</b>		<b>606.05</b>		<b>1162.47</b>	
<b>Funding Pattern</b>						
<b>Working Capital Funding from Banks and Financial Institutions</b>	<b>377.96</b>		<b>226.79</b>		<b>770.72</b>	
<b>Internal Accruals</b>	<b>764.94</b>		<b>379.26</b>		<b>343.26</b>	
<b>Unsecured Loans</b>	<b>-</b>		<b>-</b>		<b>48.49</b>	

We require a significant amount towards working capital requirements which is based on certain assumptions, and accordingly, any change of such assumptions would result in changes to our working capital requirements. A significant amount of working capital is required to finance the purchase of raw materials and trade receivables. As a result, we may continue to avail debt in the future to satisfy our working capital requirements. Our working capital requirements may increase if we undertake larger or additional order from our customers or if payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burden.

**10. We have experienced fire outbreak in our manufacturing facility on May 10, 2017. We regularly work with flammable materials and activities in our operation which can be dangerous and could cause injuries to people or property.**

The nature of our business involves working with highly flammable materials such as ‘Cotton yarn’ ‘Viscose’ ‘Spun’ ‘Filament’ and ‘Dyed Yarn’, making the risk of fire a critical concern. On May 10, 2017, our manufacturing unit experienced a fire outbreak caused by a short circuit. This tragic incident led to the loss of raw material of approximately Rs. 37.20 Lakhs.

The combination of raw materials, operational machinery, and electrical equipment increases the likelihood of fire hazards in manufacturing unit. Inadequate safety protocols or equipment can exacerbate such risks.

Post-incident, we have taken proactive steps to prevent similar occurrences in the future. This includes the installation of fire-resistant equipment, strategically placed water tanks, and adherence to strict fire safety protocols. Regular audits and training sessions for staff on fire safety measures are also being conducted to enhance preparedness.

These accidents can cause personal injury and loss of life or destruction of property and equipment as well as environmental damage. In addition, the loss or shutting down of our facility resulting from any accident in our operations could disrupt our business operations and adversely affect our results of operations, financial condition and reputation. We could also face claims and litigations filed on behalf of persons alleging injury predominantly due to occupational exposure to hazards at our facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, financial condition, results of operations and cash flows could be adversely affected.

**11. Our Company has lodged the Insurance claim in the past. Our insurance coverage may not be adequate to protect us against all material risks.**

During the FY 2017-18, our Company has lodged the Insurance claim of Rs. 37.20 Lakhs out of which we have received Rs. 8.33 Lakhs as a claim reimbursement and Rs. 28.88 Lakhs is still pending for realization as on the date of filing of this Red Herring Prospectus.



The nature of our business involves working with highly flammable materials such as ‘Cotton yarn’ ‘Viscose’ ‘Spun’ ‘Filament’ and ‘Dyed Yarn’, making the risk of fire a critical concern. On May 10, 2017, our manufacturing unit experienced a fire outbreak caused by a short circuit. This tragic incident led to the loss of raw material of approximately Rs. 37.20 Lakhs.

The reason for non-realization of claim of Rs. 28.88 Lakhs are:

- There was a delay and incompleteness in documentation from the company’s side while submitting for the claim.
- Disagreement over the settlement amount also caused the delay in the claim process.
- We have also faced inconsistency in handling the process of claim due to the change in representatives for contact at the insurance company.

Our principal type of insurance coverage includes amongst others, vehicle insurance, industrial all risk policy and group personal accident policy.

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. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at an acceptable cost, or at all.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our business, results of operations, cash flows and financial condition could be adversely affected. For more details of our Insurance policies, please refer to the chapter titled “*Our Business—Insurance*” beginning on page 161.

12. *In our Audited Financial Statements for the Financial Year 2022-23, our Company did not make any provision for gratuity payment as required under The Payment of Gratuity Act, 1972. However, in the Restated Standalone Financial Statements, the impact of provision for gratuity payment on the Profits earned by the Company has been shown in Annexure-6 “Restated Summary Statement of Reconciliation of Restated Profit/(Loss) To Profit/ (Loss) as per Audited Financial Statements”.*

Gratuity is a lump sum that a company pays when an employee leaves an organisation and this is one of the many retirement benefits offered by a company to an employee. Currently, the Payment of Gratuity Act, 1972 (the Gratuity Act) is applicable to employees engaged in factories, mines, oilfields, plantations, ports, railway companies, shops or other establishments with ten or more employees. Gratuity is fully paid by the employer, and no part comes from an employee’s salary. The Accounting Standard stipulates that present value of obligations with respect to the retirement benefits to be paid to the employees should be accounted in the books on accrual basis.

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liabilities on account of:</b>			
Property, Plant and Equipments	13.26	4.64	1.39
<b>Total deferred tax liabilities (A)</b>	<b>13.26</b>	<b>4.64</b>	<b>1.39</b>
<b>Deferred Tax Assets on account of:</b>			
Property, Plant and Equipments		-	-
Provision for Gratuity	0.57	0.34	-
<b>Total deferred tax assets (B)</b>	<b>0.57</b>	<b>0.34</b>	-



Disclosed as Deferred Tax (Assets) /Liabilities (Net =A - B)	12.68	4.30	1.39
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**13. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.**

We have in the course of our business entered into and will continue to enter into, several transactions with our related parties. For details, please refer to the chapter titled “*Financial Information*” beginning on page 201. We cannot assure you that we will receive similar terms in our related party transactions in the future. We cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. The transactions we have entered into and any further transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. Further, the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

The total Related Party Transactions including Director’s Remuneration in the Financial Year ended on March 31, 2025, March 31, 2024 and March 31, 2023 as a percentage of total income is presented in the table below:

(Rs. in Lakhs)

Particulars	For the Financial year ended on March 31, 2025	% of total income	For the Financial Year ended on March 31, 2024	% of total income	For the Financial Year ended on March 31, 2023	% of total income
Related Party Transactions during the year	882.31	21.12	851.37	22.94	725.45	22.40

**14. Our lender has charge over our immovable property and stocks in respect of finance availed by us.**

We have secured our lender by creating a charge over our immovable property and stocks in respect of loans / facilities availed by us. We have been extended Working Capital loan (Fund Based and Non- Fund Based Limits) from Federal Bank Limited respectively against hypothecation of our Company’s property. For further details, please refer to the chapter titled “*Financial Indebtedness*” beginning on page 202.

**15. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.**

We are exposed to counter party credit risk in the usual course of our business due to the nature of inherent risks involved in, dealings and arrangements with our customers who may delay or fail to make payments or perform other contractual obligations. The majority of our sales are to customers on an open credit basis, with standard payment terms of generally between 60 to 75 days, while we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit, we extend to what we believe is reasonable based on an evaluation of customer’s financial condition and payment history, we may experience losses because of a customer being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate.

We have and may continue to have, high levels of outstanding receivables. As of March 31, 2025, March 31, 2024 and March 31, 2023, our trade receivables were Rs. 793.70 Lakhs, Rs. 650.52 Lakhs and Rs. 632.21 Lakhs



respectively. Set forth below are details relating to holding levels of our trade payables, trade receivables, inventory turnover and working capital cycle, for the financial years indicated:

Particulars	Number of days for		
	Fiscal 2025	Fiscal 2024	Fiscal 2023
Trade receivables days	69	64	71
Inventory turnover days	37	35	74
Trade payables days	48	93	83
<b>Working Capital days</b>	<b>58</b>	<b>6</b>	<b>62</b>

Any increase in our trade receivable turnover days will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could adversely affect our business, financial condition and results of operations.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customers, may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our business, results of operations, cash flows and financial condition.

**16. Trade Receivables and Inventories form a substantial part of our current assets. Failure to manage our inventory could have an adverse effect on our business, results of operations, cash flows and financial condition.**

Our business is working capital intensive and hence, Trade Receivables and Inventories form substantial part of our current assets and net worth.

(Rs. in Lakhs)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total Current Assets	1,624.50	1,321.98	1,686.17
Trade Receivables	793.70	650.52	632.21
Trade Receivables % of total Current Assets	48.86%	49.21%	37.49%
Inventories	423.21	359.31	657.01
Inventories % of total Current Assets	26.05%	27.18%	38.96%

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



consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, results of operations, cash flows and financial condition.

**17. *Our business depends on the performance of its information technology systems and any interruption or abnormality in the same may have an impact on our business operations and profitability.***

We have set of machineries designed for special and technical textiles for Circular Knitting i.e. Mayer & Cie and High-Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine. We utilise information technology system and software on which designs are uploaded as per customisation. For purchase of machinery significant capital expenditures may be required and we may not be able to benefit from the investment immediately. All of these may have a material impact on our operations and profitability. The regular maintenance and repair are required in the machineries also updating of software is required in the computer systems from which designs are uploaded to the machineries, for uploading of designs in case we may encounter any interruption or abnormality it may affect our operations. Actual and anticipated breakdown in software and information technology may cause us higher cost, including costs to deploy additional personnel and network protection technologies, train employees and engage third-party experts and consultants.

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

Our business is significantly affected by the availability, cost and quality of the raw materials and components which we need to develop our products. Our principal raw material is yarn. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw materials are majorly procured in the domestic market from Delhi and Haryana. We are dependent on external suppliers for certain of the materials /components. The prices and supply of these and other raw materials & components depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and duties. If, for any reason, our suppliers of raw materials and components should curtail or discontinue their delivery of such materials to us in the quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our earnings and business could suffer. If we are unable to source raw materials from key suppliers in a timely manner, our production processes and results of operations may be adversely impacted. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require.

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

Our success depends on the supply and transport of the various raw materials required for our manufacturing facility and of our finished products from our manufacturing facility to our distributors, which are subject to various uncertainties and risks. Our Company do not completely depend on our own transportation facility and are majorly dependent on third-party transportation providers for the delivery of our products. In case transportation restrictions, if any, could have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.



**20. We are dependent on a number of key personnel, including our 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 is highly dependent on our management and other key personnel to maintain our strategic direction, manage our current operations and meet future business challenges that may also arise in relation to our business. The loss of, or inability to attract or retain, such persons could materially and adversely affect our business and financial results. In particular, the expertise, experience and services of Mr. Anupam Kansal our Promoter and Managing Director and other members of our management team, including our key management personnel help us to execute our growth strategy, have been integral to our business. For details in relation to the experience of our key management personnel, please refer to the chapter titled “Our Management” beginning on page 177. If one or more of these key management personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, which could have a material adverse effect on our business, financial results and prospects.

**21. Our Independent Directors do not have qualification and experience related to the business of our Company.**

We have two Independent Directors in our Board; they are having good qualification and experience but not related to our business.

Sr. No.	Name	Qualification and Experience
1.	Tarun Sharma	He is a Chartered Accountant and also holds Master’s in Commerce. He is having over a decade of experience in the field of audit & accounting. He is skilled in financial operations, aligning business strategy and process improvement.
2.	Priyesh Kumar Sikariwal	He holds a Master’s degree in the field of the Computer Science from Indian Institute of Information Technology & Management, Gwalior, and has also done Master’s in the field of Arts in Social Work from Tata Institute of Social Sciences. He has demonstrated the ability to manage the entire client lifecycle, from pre-sales to post-sales, ensuring client needs are met effectively.

For further details in respect of profile, please refer the heading titled “Brief Biographies of Directors” on page 179.

Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the any negligence accrued in corporate governance due to lack of experience and qualification related to the business of our Company by the Independent Directors.

**22. A shortage or non-availability of electricity or water or fuel may affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.**

Our manufacturing operations require uninterrupted supply of electricity and water and any shortage or non-availability may adversely affect our operations. We consume a substantial amount of power and fuel for our business operations. Our power requirements are met from Pashchimanchal Vidyut Vitran Nigam Limited, for our manufacturing facility and registered office, we have been sanctioned 270 kw for running our manufacturing facility. The shortage or non-availability of electrical power or water or fuel may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition. Currently, we source our power requirements from the state electricity board. There can be no assurance that electricity supplied will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. If the supply of electricity is not available for any reason, we will need to rely on alternative sources since our machinery requires continuous supply of electricity. Any failure on our part to obtain alternate sources of electricity, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, results of operations, cash flows and financial condition.



23. *We cannot assure you that the Objects of the Issue will be achieved within the expected time frame, or at all, and any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.*

Our Company proposes to utilise the Net Proceeds towards the following objects:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
<b>A.</b>	<b>Capital Expenditure</b>	
	To fund the expansion plan of the Company i.e. Capital expenditure towards purchase of Plant and Machinery.	400.00
	Contingency Provision @ 10% of cost of Plant & Machinery	40.00
	<b>Total (A)</b>	<b>440.00</b>
<b>B.</b>	<b>Loans to be repaid</b>	
	Federal Bank Limited (Term Loan)	132.00
	<b>Total (B)</b>	<b>132.00</b>
<b>C.</b>	<b>Working Capital Requirements</b>	950.00
<b>D.</b>	<b>General Corporate Purposes</b>	[●]
	<b>Grand Total (A+B+C+D)</b>	<b>[●]</b>

The Objects of the Issue have not been appraised by any bank or financial institution. The proposed utilisation of the Net Proceeds is based on current business plan, current conditions and other commercial and technical factors including interest rates and other charges, the financing and other agreements entered into by our Company, which is subject to change in light of changes in external circumstances and other factors beyond our control such as general economic conditions, inflation, technological changes, changing customer preferences and competitive landscape, credit availability and interest rate levels. Our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in rescheduling of the proposed utilisation of the Net Proceeds, subject to compliance with applicable law. A portion of the use of the Net Proceeds involving deployment towards general corporate purposes is at the discretion of the management of our Company. For further information, please refer to the chapter titled “Objects of the Issue” beginning on page 90.

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

Any variation in the objects of the Issue shall be made in compliance with Sections 13(8) and 27 of the Companies Act which requires us to obtain a shareholders' approval, and SEBI ICDR Regulations which requires us to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI and in accordance with any other applicable law. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business, results of operations and financial condition.

Further, our Promoters would be required to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting



shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

**24. *One of our Certificate i.e Import Export Certificate is in erstwhile name.***

One of our certificates i.e. Import Export Certificate is presently retained under its former name. However, our Company is in the process to diligently change the name on its certificate by submitting the application to effectuate the registration of the document under its updated name.

**25. *Our operations are subject to environmental, health and safety laws and regulations.***

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the area where we operate. In particular, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liability to the Government and third parties, and may result in incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time, attention and consume financial resources in defence or prosecution of such legal proceedings or cause delays in the production, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

**26. *Our Promoters and Promoters Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.***

Our Promoters and Promoters Group will continue to own a majority of our Equity Shares i.e., approximately 67.69 % of the total post-issue paid up capital. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoters Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

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

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding, loan, commission & dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our



Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our directors including our promoters will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

**28. *Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on May 14, 2025.

Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (to the extent ascertainable) (Rs. in Lakhs)
By our Company	07	Nil	Nil	Nil	Nil	52.93
Against our Company	Nil	01	Nil	Nil	Nil	48.82

**29. *Any negative publicity or defect in product quality may cause our Company substantial costs which in turn could adversely affect our goodwill and our sales could be diminished.***

Our business, like any other, heavily depends on the quality of our products, playing a pivotal role in establishing trust with our customers. Maintaining a positive company image is paramount in this context. Unfavourable publicity, whether concerning our company, brand, provided facilities, or unexpected events, has the potential to impact our reputation and operational results. While we strive to uphold quality standards, ensuring the uniform quality of all our products cannot be guaranteed. Any deviation in quality may adversely affect the value of our brand, potentially leading to reduced sales if associated with negative publicity.

**30. *Any failure to protect or enforce our rights to own or use our trademark could have an adverse effect on our business and competitive position.***

As on the date of this Red Herring Prospectus, our applications for our logo as a trademark are under process and the current status of our trademark application is 'Formalities Check Pass'. If the opposition is not settled or is upheld, we may be required to alter or abandon the use of our current logo, potentially incurring significant costs related to rebranding and risking the loss of brand recognition. Further, we have also applied for registration one trademark, under the Trademark Act, 1999 which are:



Sr. No.	Trademark Certificate/ Application No.	Issuing Authority	Description of Goods and Services	Class	Status	Trademark Logo
1.	6598355	Registrar of Trademark	Manufacture of knitted and crocheted synthetic fabrics, Textiles and textile goods, not included in other classes; bed and table covers	Class 24	Formalities Check Pass	

Further, if we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand is subject to risks, including general litigation risks. Furthermore, we cannot assure you that our brand will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source. Any damage to our brand identity, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position.

Finally, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements. Any of the foregoing could have an adverse effect on our business and competitive position.

**31. *Improper storage, processing and handling of our raw materials, work products and products could damage our inventories and, as a result, have an adverse effect on our business, results of operations and cash flows.***

We typically store our raw materials, work-in-progress, stock in trade and finished goods in covered godown. In the event that our raw materials, work products and products are improperly stored, processed and handled, the quality our raw materials, that is yarn could be reduced and our products could be damaged. As a result, our production outputs could be adversely affected, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. However, there have been no such instances in the past.

**32. *Our business is dependent on our manufacturing facility and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or under-utilization of our manufacturing facility could have an adverse effect on our business, operations and financial condition.***

As on the date of this Red Herring Prospectus, we conducted our operations through our manufacturing facility, details as under:

Manufacturing Facility	Address
Meerut	B-9, 10 & 11, Udyog Puram Delhi Road, Partapur, Meerut, Uttar Pradesh-250103, India.

Our business is dependent upon our ability to manage our manufacturing facility, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable



to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdown of our facility for maintenance, statutory inspections and testing, or may shut down our facility for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing facility or while setting up new facilities, which may delay or halt our operations.

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

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we are not permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, please refer to the chapter titled “*Dividend Policy*” beginning on page 200.

**34. *The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the compliance requirement or the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited half yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

**35. *Changes in latest technology or requirement of machinery based on business opportunity may adversely affect our Company’s results of operations and its financial condition.***

Modernization and technology upgradation are essential to reduce costs and increase the output. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.



Presently, we are using the machinery as per the best of our knowledge. However, in future we may be required to implement new technology or upgrade the machinery and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the machinery may be significant which could substantially affect our finances and operations. Also, the cost of implementing new process would require substantial new capital expenditures and could adversely affect our business, prospects, results of operations and financial condition.

**36. *We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.***

The industry, in which we are operating, is increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**37. *Our inability or failure to maintain a balance between optimum inventory levels and our product offering may adversely affect our business, results of operations and financial condition.***

We strive to keep optimum inventory at our godown and working capital requirements through our supply chain management. An optimal level of inventory is important to our business as it allows us to respond to consumer's demand effectively and to maintain a range of merchandise at our godown. At the same time, we aim to minimize excessive inventories which would result in higher levels of discounting. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale in our godown. In addition, if we underestimate customer demand for our products, we may lose our reputation and brand image.

**38. *We are subject to risk of fraud, theft, embezzlement by our employees, contractors and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking. We may also encounter some inventory loss on account of employee/vendor fraud, theft, embezzlement and general administrative error. Although, we have set up various security measures, including CCTV in our offices, deployment of security guards and follow stringent operational processes such as periodic stock tracking, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. However, there have been no such instances in the past.

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

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Book Running 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 to the chapter titled "Capital Structure" beginning on page 74.

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

As per Regulation 262 of the SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only if Issue size exceeds Rs. 5000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.



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

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

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

The determination of the Issue Price is based on various factors and assumptions and will be determined by our Company and the Book Running Lead Manager. These will be based on numerous factors, including market demand and factors as described in the chapter titled "*Basis for Issue Price*" beginning on page 105 and may not be indicative of the market price for the Equity Shares after the Issue.

**43. Industry information included in this Red Herring Prospectus has been derived from the Industry Analysis of the Home Textile Sector-Emphasis on Printed and Knitted Fabrics ("D&B Report", which was prepared by Dun & Bradstreet ("Dun & Bradstreet") and exclusively commissioned and paid for by our Company for the purposes of the Issue, and any reliance on information from the Report for making an investment decision in the Issue is subject to inherent risks.**

Certain sections of this Red Herring Prospectus include information that is based on or derived from the Industry Analysis of the Home Textile Sector-Emphasis on Printed and Knitted Fabrics Report, which was prepared by Dun & Bradstreet ("Dun & Bradstreet") and exclusively commissioned and paid for by our Company for the purposes of the Issue pursuant to an engagement letter dated October 15, 2024. Dun & Bradstreet is not related to our Company, its Group Entities, our Promoters, our Directors and the Book Running Lead Manager.

The D&B Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Statements in the D&B Report that involve estimates are subject to change, and actual amounts may differ materially from those included therein. The D&B Report uses certain selected methodologies for market sizing and forecasting and, accordingly, investors should read the industry related disclosure in this Red Herring Prospectus in this context. The D&B Report is not a recommendation to invest / disinvest in any company covered in the D&B Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the D&B Report before making any investment decision regarding the Issue. Please refer to the chapters titled "Presentation of Financial, Industry and Market Data" and "Our Industry" beginning on pages 16 and 115, respectively.



#### **External Risk Factors:**

**44. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its capital markets are influenced by economic, political and market conditions in India and globally *inter-alia* the volatility in the securities markets in other countries. We are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- downgrade of India's sovereign debt rating by an independent agency;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- India has experienced epidemics and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and governmental policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or China or Asian emerging market countries, may have an 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 of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

**45. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater



perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

**46. *Investors may not be able to enforce a judgment of a foreign court against our Company outside India.***

Our Company is incorporated under the laws of India. Our Company's assets are located in India and all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damage as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damage awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.



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

Under the current Indian Tax Laws and Regulations, Capital Gains arising on the sale of Equity Shares of an Indian Company are generally taxable in India. Any Capital Gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 12.50% (on the gains in excess of Rs.1.25 lakhs) if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT shall be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange provided no STT has been paid, will be subject to long term capital gain tax in India. However, any capital gain realized on the sale of listed Equity Shares held for a period of 12 months or less shall be subject to short term capital gains tax in India and are taxed at 20%. Provided Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold on other than on a recognised stock exchange and on which no STT has been paid, shall 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.

Taxation of Capital Gains is subject to the provisions of the Income Tax Act, 1961, as amended from time to time, and changes introduced through successive Finance Acts. Any amendment in the tax regime, including an increase in capital gains tax rates, whether through the Finance Act or other legislative measures, could adversely impact the post-tax returns of investors in our equity shares. Given the evolving fiscal and economic policies, there is a possibility that future amendments may result in higher tax rates or reduced exemptions, thereby affecting the overall attractiveness of equity investments. Investors should consider potential changes in tax laws while making investment decisions.

**48. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.**

The Competition Act, 2002, as amended (“**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India and was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India (“CCI”) to prevent such practices. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly: (i) involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market; or (iii) directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 04, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 01, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Further, the CCI, has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. Further, if it is proved that any contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished. It is unclear as to how the Competition Act and the CCI shall affect the business environment in India.

In the event that we enter into any agreements or transactions that are held to have an appreciable adverse effect on competition in the relevant market in India, the provisions of the Competition Act shall be applicable. Any



prohibition or substantial penalties levied under the Competition Act in addition to any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may materially and adversely affect our financial condition, cash flows and results of operations. Consequently, all agreements entered into by us may be subject to the provisions of the Competition Act and we are unable to predict the impact of the provisions of the Competition Act on such agreements. We cannot assure you that we shall be able to obtain approval for any future acquisitions on satisfactory terms, or at all. If we are affected directly or indirectly by the application or interpretation of any provision of the Competition Act or any proceedings initiated by the CCI or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our reputation may also be materially and adversely affected. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us.

**49. *Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be similar to the shareholders' rights under the laws of other countries or jurisdictions.

***Risks Related to the Issue***

**50. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchange may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares shall develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book building process and shall be based on numerous factors, as described in the chapter titled "*Basis for Issue Price*" beginning on page 105. This price may not necessarily be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. You may not be able to resell your Equity Shares at or above the Issue Price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on BSE after the Issue, but there can be no assurance that active trading in our Equity Shares shall develop after the Issue, or if such trading develops that it shall continue. The Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue may be subject to significant fluctuations as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- Our financial condition, results of operations and cash flows;
- The history and prospects for our business;
- An assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures;
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- Quarterly variations in our results of operations;
- Results of operations that vary from the expectations of securities analysts and investors;
- Results of operations that vary from those of our competitors;
- Changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- A change in research analysts' recommendations;



- Announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- Announcements of significant claims or proceedings against us;
- New laws and government regulations that directly or indirectly affecting our business;
- Additions or departures of Key Management Personnel changes in the interest rates;
- Fluctuations in stock market prices and volume;
- General economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

**51. *The Equity Shares subscribed in this Issue may not be able to be immediately sold on any Indian Stock Exchange.***

The Equity Shares shall be listed on the Stock Exchange. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares shall not be granted till the Equity Shares in this Issue have been issued and allotted and all relevant documents are submitted to the Stock Exchange. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, expected to be credited within one Working Day of the date on which the Basis of Allotment is finalised with the Designated Stock Exchange. In addition, the Allotment of Equity Shares in the Issue and the credit of such Equity Shares to the applicant's demat account with the depository participant could take approximately two Working Days from the Bid/Issue Closing Date and trading in Equity Shares upon receipt of listing and trading approval from the Stock Exchange, trading of Equity Shares is expected to commence within three Working Days from Bid/ Issue Closing Date. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. There can be no assurance you that the Equity Shares shall be credited to investor's demat accounts or that trading in the Equity Shares shall commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

**52. *There is no assurance that our Equity Shares shall remain listed on the stock exchange.***

Although it is currently intended that the Equity Shares shall remain listed on the Stock Exchange, there is no guarantee of the continued listing of the Equity Shares. Among other factors, we may not continue to satisfy the listing requirements of the Stock Exchange. Accordingly, Shareholders shall not be able to sell their Equity Shares through trading on the Stock Exchange if the Equity Shares are no longer listed on the Stock Exchange.

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

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options under an employee benefit scheme may lead to dilution of your shareholding in our Company. Any future equity issuances by us (including under an employee benefit scheme) or disposal of our Equity Shares by the Promoters or any of our other principal shareholders or any other change in our shareholding structure to comply with the minimum public shareholding norms applicable to listed companies in India or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our equity shares or incurring additional debt.



Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 74, there can be no assurance that we shall not issue further Equity Shares or that our existing shareholders including our Promoters shall not dispose of further Equity Shares after the completion of the Issue (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder’s investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Issue Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

**54. *Qualified Institutional Buyers and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and the Individual Investors are not permitted to withdraw their Bids after the Bid/ Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to block the Bid amount on the submission of the Bid and not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Individual Investors can revise or withdraw their Bids at any time during the Bid/Issue Period and until the Bid/ Issue Closing Date, but not thereafter. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchange where such Equity Shares are proposed to be listed, including Allotment within three Working Days from the Bid/ Issue Closing Date or such other period as may be prescribed by SEBI, events affecting the Investor’s decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Investor’s ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Investors shall not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.



## SECTION IV - INTRODUCTION

### THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	Up to 13,08,000 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Maker</b>	66,000 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Net Issue to the Public</b>	12,42,000 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(5)</sup>	Not more than 26,000 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Of which</b>	
i.	
<b>Of which</b>	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	2,000 Equity Shares aggregating to Rs. [●] Lakhs.
b. Balance of QIB Portion for all QIBs including Mutual Funds	24,000 Equity Shares aggregating to Rs. [●] Lakhs.
B. Non-Institutional Portion	Not less than 6,08,000 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Of which</b>	
i. 1/3rd reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs. 10 Lakhs	2,03,000 Equity Shares aggregating up to Rs. [●] Lakhs.
ii. 2/3rd reserved for applicants with application size of more than Rs. 10 Lakhs	4,05,000 Equity Shares aggregating up to Rs. [●] Lakhs.
C. Individual Investors Portion	Not less than 6,08,000 Equity Shares aggregating to Rs. [●] Lakhs.
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	36,28,100 Equity Shares of face value of Rs.10 each
<b>Equity Shares outstanding after the Issue</b>	Up to 49,36,100 Equity Shares of face value of Rs.10 each
<b>Use of Net Proceeds by our Company</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 90.

*\*Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.*

#### Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our Company in terms of Regulation of 229(1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our Company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on October 01, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on October 10, 2024.



- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investors Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investors Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Individual Investors and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional investors.

Since this is an issue made through book building process, the allocation in the non-institutional investors' category shall be as follows:

- a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs.10 lakhs;
- b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than Rs.10 lakhs.

Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.

- 5) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Investors at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

For details, including grounds for rejection of Bids, please refer to the chapters titled "*Issue Structure*" and "*Issue Procedure*" beginning on pages 263 and 268, respectively. For details of the terms of the Issue, please refer to the chapter titled "*Terms of the Issue*" beginning on page 253.



## SUMMARY OF RESTATED STANDALONE FINANCIAL STATEMENTS

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES				
(Rs. in Lakhs)				
Particulars	Annexure	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b><u>D. EQUITY AND LIABILITIES</u></b>				
<b>1. SHAREHOLDERS FUND</b>				
(a) Share Capital	7	362.81	191.00	191.00
(b) Reserve & Surplus	8	868.10	355.25	152.26
<b>Total Shareholders funds</b>		<b>1,230.91</b>	<b>546.25</b>	<b>343.26</b>
<b>2. NON-CURRENT LIABILITIES</b>				
(a) Long Term Borrowings	9	401.13	340.74	614.55
(b) Deferred Tax Liabilities	10	13.26	4.64	1.39
(c) Long Term Provisions	11	1.92	1.35	-
<b>Total Non-Current liabilities</b>		<b>416.30</b>	<b>346.72</b>	<b>615.94</b>
<b>3. CURRENT LIABILITIES</b>				
(a) Short Term Borrowings	12	522.29	297.68	864.40
(b) Trade Payables	13			
Total outstanding dues to MSMEs		7.09	24.19	-
Total outstanding dues to MSMEs		328.26	597.05	472.05
(c) Other Current Liabilities	14	30.71	27.98	31.27
(d) Short Term Provisions	15	73.51	62.49	-
<b>Total Current Liabilities</b>		<b>961.85</b>	<b>1,009.39</b>	<b>1,367.72</b>
<b>Total Equity and Liabilities</b>		<b>2,609.07</b>	<b>1,902.36</b>	<b>2,326.92</b>
<b><u>II. ASSETS</u></b>				
<b>1. NON-CURRENT ASSETS</b>				
(a) Property, Plant & Equipment	16	977.04	573.37	618.03
(b) Capital Work in progress	17	-	-	16.05
(c) Deferred Tax Assets	10	0.57	0.34	-
(d) Other non current assets	18	6.95	6.67	6.67
<b>Total Non current assets</b>		<b>984.56</b>	<b>580.38</b>	<b>640.75</b>
<b>2. CURRENT ASSETS</b>				
(a) Trade Receivables	19	793.70	650.52	632.21
(b) Inventories	20	423.21	359.31	657.01
(c) Cash and Cash Equivalents	21	42.04	4.21	20.38
(d) Other bank balances	22	-	-	-
(e) Loans & Advances	23	5.10	10.02	133.31
(f) Other Current Assets	24	360.44	297.93	243.26
<b>Total Current Assets</b>		<b>1,624.50</b>	<b>1,321.98</b>	<b>1,686.17</b>
<b>Total Assets</b>		<b>2,609.07</b>	<b>1,902.36</b>	<b>2,326.92</b>
Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.				



<b>RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS</b>				
<i>(Rs. in Lakhs)</i>				
Particulars	Annexure	For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
<b>I) Incomes</b>				
(a) Income from Operations	25	4,170.32	3,708.26	3,232.21
(b) Other Income	26	8.11	2.85	6.54
<b>II) Total Incomes</b>		<b>4,178.43</b>	<b>3,711.11</b>	<b>3,238.75</b>
<b>III) Expenses</b>				
(a) Cost of material consumed	27	2,568.79	2,284.16	1,952.88
(b) Purchases of stock in trade	28	3.41	20.66	51.57
(c) Changes in inventories of finished goods	29	(5.72)	124.11	80.98
(d) Employee benefits expense	30	258.42	229.69	239.87
(e) Finance Cost	31	37.09	60.21	87.53
(f) Depreciation and amortization expense	32	84.92	95.64	84.09
(g) Other expenses	33	622.55	622.46	706.07
<b>IV) Total Expenses</b>		<b>3,569.46</b>	<b>3,436.93</b>	<b>3,202.98</b>
<b>V) Profit Before Taxes (II-IV)</b>		<b>608.97</b>	<b>274.17</b>	<b>35.77</b>
<b>VI) Tax Expenses</b>				
(a) Current taxes		144.41	65.93	-
(b) Deferred tax expense / (credit)		8.39	2.91	3.48
(c) Tax adjustment of earlier years		-	2.35	-
<b>VII) Total Taxes</b>		<b>152.79</b>	<b>71.19</b>	<b>3.48</b>
<b>VIII) Profit after Taxes</b>		<b>456.18</b>	<b>202.99</b>	<b>32.30</b>
<b>IX) Earnings per Equity Share of Rupees 10.00 each</b>	34			
(a) Basic (in rupees)		13.03	6.07	0.97
(a) Diluted (in rupees)		13.03	6.07	0.97
Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.				



<b>RESTATED SUMMARY STATEMENT OF CASH FLOWS</b>			
<i>(Rs. in lakhs)</i>			
Particulars	For the Financial Year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax	608.97	274.17	35.77
<b>Adjustments for:</b>			
Loss / (Profit) on sale of Property, Plant and Equipment	(1.98)	-	0.04
Depreciation and Amortization Expense	84.92	95.64	84.09
Interest Income	(2.01)	(0.79)	(0.57)
Finance Costs	37.09	60.21	87.53
<b>Operating profit before working capital changes</b>	<b>726.99</b>	<b>429.23</b>	<b>206.86</b>
<b>Adjustments for (increase)/decrease in Operating Assets:</b>			
(Increase) / Decrease in Trade Receivables	(143.18)	(18.30)	176.99
(Increase) / Decrease in Inventories	(63.91)	297.71	(146.36)
(Increase) / Decrease in Short Term Loans and advances	4.91	123.29	(53.25)
(Increase) / Decrease in Other Current Assets	(62.51)	(54.67)	(77.80)
(Increase) / Decrease in Non-Current assets	(0.28)	-	-
(Increase) / Decrease in Other Bank Balances	-	-	11.88
<b>Adjustments for increase/(decrease) in Operating Liabilities</b>			
Increase / (Decrease) in Trade Payables	(285.90)	149.20	(237.71)
Increase / (Decrease) in Other Current Liabilities	2.73	(3.29)	(17.58)
Increase / (Decrease) in Short Term Provisions (other than Income tax)	0.35	0.00	-
Increase / (Decrease) in Long Term Provisions	0.57	1.35	-
<b>Cash generated from operations</b>	<b>179.77</b>	<b>924.51</b>	<b>(136.97)</b>
Income Tax Paid	(133.74)	(5.79)	-
<b>Net Cash Flow from Operating Activities</b>	<b>46.03</b>	<b>918.71</b>	<b>(136.97)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment	(497.06)	(115.16)	(194.36)
Proceeds from Sale of Property, Plant and Equipment	10.45	80.23	0.25
Interest Income	2.01	0.79	0.57
Investment in capital work in progress	-	-	(16.05)
<b>Net Cash used in investing activities</b>	<b>(484.60)</b>	<b>(34.14)</b>	<b>(209.59)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	228.48	-	-
Proceeds/(Repayment) of Long Term Borrowing	60.40	(273.81)	91.94
Proceeds/(Repayment) of Short Term Borrowing	224.62	(566.73)	222.81
Finance Costs	(37.09)	(60.21)	(87.53)
<b>Net cash generated from Financing activities</b>	<b>476.40</b>	<b>(900.75)</b>	<b>227.23</b>
<b>Net Change in Cash and Cash Equivalents (A+B+C)</b>	<b>37.83</b>	<b>(16.17)</b>	<b>(119.33)</b>
<b>CASH &amp; CASH EQUIVALENT</b>			
Opening Balance	4.21	20.38	139.71
Net Change in Cash & Cash Equivalents	37.83	(16.17)	(119.33)
Closing Balance	<b>42.04</b>	<b>4.21</b>	<b>20.38</b>
<b>Components of cash &amp; cash equivalents</b>			
Cash & Bank Balances	42.04	4.21	10.05
Deposits with maturity of less than 3 months	-	-	10.32
Closing Balance	<b>42.04</b>	<b>4.21</b>	<b>20.38</b>
Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.			



## GENERAL INFORMATION

Our Company was originally incorporated as “Rachit Prints Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 31, 2003, issued by the Registrar of Companies, Kanpur. Prior to incorporation of our Company, the promoters were engaged in the business of printing and manufacturing clothes under the name M/s Rachit Prints, a partnership firm. During the year 2003, our Promoters incorporated Rachit Prints Private Limited and had taken over the business of the Partnership Firm. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting held on May 21, 2024 and the name of our Company was changed to “Rachit Prints Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company was issued by the Registrar of Companies, Kanpur on July 29, 2024. The Corporate Identification Number of our Company is U22190UP2003PLC027364.

For further details on the change in the registered office of our Company, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 172.

Our Company has 29 Shareholders as on the date of filing of this Red Herring Prospectus. For further details, please refer to the chapter titled ‘*Capital Structure*’ beginning on page 74.

### REGISTERED OFFICE

#### RACHIT PRINTS LIMITED

B-9, 10 & 11, Udyog Puram Delhi Road,  
Partapur, Meerut, Uttar Pradesh- 250103, India

**Contact Person:** Ms. Ayushi Verma

**Tel. No.:** +91 8958342975

**E-mail:** info@rachitprints.co.in

**Website:** www.rachitprints.co.in

**Registration Number:** 027364

**Corporate Identification Number:** U22190UP2003PLC027364

### REGISTRAR OF COMPANIES

#### REGISTRAR OF COMPANIES, KANPUR

37/17, Westcott Buidling, The Mall,  
Kanpur, Uttar Pradesh -208001

**Tel. No.:** 0512-2310443

**Email:** roc.kanpur@mca.gov.in

### DESIGNATED STOCK EXCHANGE

#### BSE LIMITED

#### (SME PLATFORM OF BSE LIMITED)

P J Towers, Dalal Street, Fort,  
Mumbai - 400001, Maharashtra, India.



## BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Mr. Anupam Kansal	54	01982805	House No. 7, Tirupati Garden, Mawana Road, near ICICI Bank, Meerut, Uttar Pradesh -250001	Managing Director
2.	Ms. Naina Kansal	51	02313363	House No. 7, Tirupati Garden, Mawana Road, near ICICI Bank, Meerut, Uttar Pradesh -250001	Whole - Time Director
3.	Ms. Rose Kansal	23	10651709	House No. 7, Tirupati Garden, Mawana Road, near ICICI Bank, Meerut, Uttar Pradesh -250001	Non- Executive Director
4.	Mr. Priyesh Kumar Sikariwal	32	10651693	258- A, Ram Gali, Harjinder Nagar, 2 <sup>nd</sup> , Kanpur Nagar, Uttar Pradesh - 208007	Independent Director
5.	Mr. Tarun Sharma	37	10838034	H. No. 17, Sector-9, Near Awas Vikas, Shastri Nagar- Uttar Pradesh - 250004	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 177.

### CHIEF FINANCIAL OFFICER

**MS. GARIMA MOORJANI**

**RACHIT PRINTS LIMITED**

B-9, 10 & 11, Udyog Puram Delhi Road,

Partapur, Meerut,

Uttar Pradesh- 250103, India

**Tel. No.:** +91 9259730578

**E-mail:** cfo@rachitprints.co.in

**Website:** www.rachitprints.co.in

### COMPANY SECRETARY AND COMPLIANCE OFFICER

**MS. AYUSHI VERMA**

**RACHIT PRINTS LIMITED**

B-9, 10 & 11, Udyog Puram Delhi Road,

Partapur, Meerut,

Uttar Pradesh- 250103, India

**Tel. No.:** +91 8279656571

**E-mail:** cs@rachitprints.co.in

**Website:** www.rachitprints.co.in

### INVESTOR GRIEVANCES

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

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



For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

##### **KHAMBATTA SECURITIES LIMITED**

###### **Delhi NCR Office:**

806, World Trade Tower, Tower-B, Noida  
Sector-16, Uttar Pradesh- 201301, India.

**Contact Person:** Mr. Chandan Mishra

**Tel. No.:** +91-9953989693, 0120 4415469

**Email:** chandan@khambattasecurities.com

**Website:** www.khambattasecurities.com

**SEBI Registration No.:** INM000011914

###### **Registered Office:**

#1 Ground Floor, 7/10, Botawala Building, 9 Bank  
Street, Horniman Circle, Fort, Mumbai-400001, India.

**Contact Person:** Mr. Sunil Shah

**Tel. No.:** 022-66413315

**Email:** ipo@khambattasecurities.com

**Website:** www.khambattasecurities.com

**SEBI Registration No.:** INM000011914

#### REGISTRAR TO THE ISSUE

##### **MAASHITLA SECURITIES PRIVATE LIMITED**

451, Krishna Apra Business Square,  
Netaji Subhash Place, Pitampura, Delhi-110034

**Contact Person:** Mr. Mukul Agarwal

**Tel. No.:** 011-47581432

**E-mail:** ipo@maashitla.com

**Website:** www.maashitla.com

**Investor Grievance Email:** investor.ipo@maashitla.com

**SEBI Registration No.:** INR000004370

#### LEGAL ADVISOR TO THE ISSUER

##### **LEGACY LAW OFFICES LLP**

Legacy House, D 18, Kalkaji,  
New Delhi-110019, India

**Contact Person:** Mrs. Shalini Munjal

**Tel. No.:** +91-9988198360

**Email:** shalini@legacylawoffices.com

**Website:** www.legacylawoffices.com

*Further, Legal Advisor, Legacy Law Offices LLP, has given its legal due diligence report in relation to the Outstanding Litigations and Material Developments dated August 13, 2025.*

#### BANKER TO THE COMPANY

##### **FEDERAL BANK LIMITED**

Shop No. G1& G2, Part of property No. 5 & 337,



Begum Bridge Road, Meerut, Uttar Pradesh - 250001

**Contact Person:** Mr. Shekhar Singh

**Tel. No.:** +91- 9560500668

**E-mail:** shekhar@federalbank.co.in

**Website:** www.federalbank.co.in

#### **BANKER TO THE ISSUE / REFUND BANK / SPONSOR BANK**

##### **AXIS BANK LIMITED**

**Address:** Ground Floor, Khasra No. 370/2,

Block A Village Kunda, Near Partapur Delhi Road,

Meerut, Uttar Pradesh-250103, India

**Tel. No.:** +91-6395101152

**E-mail:** rachit1.jain@axisbank.com

**Contact Person:** Mr. Rachit Jain

**Website:** www.axisbank.com

**SEBI Registration No.:** INIB00000017

#### **SYNDICATE MEMBER**

##### **PRABHAT FINANCIAL SERVICES LIMITED**

205, Navjeevan Complex, 29, Station Road,

Jaipur-302006, Rajasthan, India

**Contact person:** Mr. Prakash Kabra

**Tel. No.:** 0141-4162029

**E-mail:** pfslindia@hotmail.com

**Website:** www.pfslindia.co.in

**SEBI Registration Number:** INZ000169433

#### **STATUTORY AUDITORS CUM PEER REVIEWED AUDITORS**

##### **SINGHAL GUPTA & CO. LLP**

###### **Chartered Accountants**

S.M. Kuteer, Mandir Marg ,92, Civil Lines,

Meerut - 250001, Uttar Pradesh, India

**Contact Person:** CA Chetan Singhal

**Tel. No.:** 0121 - 4014743

**Firm Registration No.:** 004933C/C400028

**Membership No.:** 420018

**Peer Review Certificate No.:** 015053

**Validity of Peer Review Certificate:** March 31, 2026

**Email:** ca.snghlaudit@gmail.com



## STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Khambatta Securities Limited is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

## DESIGNATED INTERMEDIARIES:

### Self-Certified Syndicate Banks (SCSB's)

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?doRecognised=yes>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the above-mentioned SEBI link.

### Syndicate SCSB Branches

In relation to ASBA Applications 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 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?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

### Registered Brokers

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

### Registrar and Share Transfer Agent

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

## CREDIT RATING

This being an issue of Equity shares, credit rating is not required.

## IPO GRADING

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

## DEBENTURE TRUSTEES

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



## **MONITORING AGENCY**

Since our Issue size does not exceed 50 crore rupees, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **FILING OF THE DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/ PROSPECTUS WITH SEBI/ROC**

The Draft Red Herring Prospectus had been, filed on SME Platform of BSE Limited.

The Draft Red Herring Prospectus was not filed with SEBI, nor SEBI had issued any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal.

## **APPRAISING ENTITY**

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

## **TYPE OF ISSUE**

The present Issue is considered to be 100% Book Building Issue.

## **GREEN SHOE OPTION**

No green shoe option is contemplated under the Issue.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of Individual Investors using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within one (1) day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from BSE Limited (BSE SME), which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory & Peer Reviewed Auditor namely, Singhal Gupta & Co. LLP, Chartered Accountants, to include their name as required under the SEBI ICDR Regulations in this



Red Herring Prospectus in respect of the reports on the Restated Standalone Financial Statements dated July 26, 2025 and the Statement of Possible Tax Benefits dated July 26, 2025 issued by them and included in this Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received a written consent dated December 02, 2024, from the Practicing Company Secretary, namely, M/s Prachi Bansal Associates, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an “expert” as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Further, Legacy law offices LLP has given its legal due diligence report in relation to the Outstanding Litigations and Material Development dated August 13, 2025.

M/s Prachi Bansal & Associates, Company Secretaries has given its report in relation to the Corporate Governance of the Company dated July 18, 2025.

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

#### CHANGES IN AUDITORS

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Appointment/Resignation	Date of Appointment/Resignation	Reason
Singhal Gupta & Co. LLP Chartered Accountants	Appointment	September 30, 2024	Appointment as an Auditor
Singhal Gupta & Co. LLP Chartered Accountants	Appointment	June 30, 2024	To fill up the Casual Vacancy
Rajeev Devendra & Co.	Resignation	May 30, 2024	Due to personal circumstances

#### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on August 08, 2025. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of shares Underwritten	Amount Underwritten* (Rs. in Lakhs)	% of the total Issue Size Underwritten
<b>KHAMBATTA SECURITIES LIMITED</b> <b>Address:</b> Ground Floor, 7/10, Botawala Building, 9 Bank Street, Horniman Circle, Fort, Mumbai – 400001, Maharashtra, India. <b>Tel. No.:</b> 0120-4415469, 9953989693 <b>Email:</b> ipo@khambattasecurities.com <b>Contact Person:</b> Mr. Chandan Mishra <b>Website:</b> www.khambattasecurities.com <b>SEBI Registration No.:</b> INM000011914	1,97,000	[●]	15.06



<b>PRABHAT FINANCIAL SERVICES LIMITED</b> <b>Address:</b> 205, Navjeevan Complex, 29, Station Road, Jaipur-302006, Rajasthan, India <b>Contact person:</b> Mr. Prakash Kabra <b>Tel. No.:</b> 0141- 4162029 <b>E-mail:</b> pfslindia@hotmail.com <b>Website:</b> www.pfslindia.co.in <b>SEBI Registration Number:</b> INZ000169433	11,11,000	[●]	84.94
<b>Total</b>	<b>13,08,000</b>	<b>[●]</b>	<b>100.00</b>

*\*Subject to finalisation of the issue price.*

#### MARKET MAKER

##### PRABHAT FINANCIAL SERVICES LIMITED

205, Navjeevan Complex, 29, Station Road,

Jaipur-302006, Rajasthan, India

**Contact person:** Mr. Prakash Kabra

**Tel. No.:** 0141-4162083, 4162099, 8696266661

**E-mail:** pfslindia@hotmail.com

**Website:** www.pfslindia.co.in

**SEBI Registration Number:** INZ000169433

#### DETAILS OF THE MARKET MAKING AGREEMENT

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

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

- ❖ The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- ❖ The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of SME Platform of BSE Limited and SEBI from time to time.
- ❖ The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●]/- per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
- ❖ After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of



computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

- ❖ 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.
- ❖ On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
- ❖ There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- ❖ The Inventory Management and Buying/ Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE from time to time.
- ❖ Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- ❖ There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- ❖ The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- ❖ There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- ❖ The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- ❖ The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
- ❖ In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.



- ❖ Risk containment measures and monitoring for Market Maker: SME Platform of BSE Limited will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- ❖ Punitive Action in case of default by Market Maker: 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. 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.
- ❖ 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 Rs. 250 Crores, the applicable price bands for the first day shall be:
  - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

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

- ❖ The following spread will be applicable on the SME Platform of BSE Limited:

Sr. No.	Market Price Slab (in Rs.)	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 during market making process has been made applicable, based on the Issue size and as follows:

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



- ❖ The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.
  
- ❖ All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time. On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.



## CAPITAL STRUCTURE

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

(Rs. in lakhs except share data)

Sr. No.	Particulars	Aggregate Value	
		Face Value	Issue Price
A.	<b>AUTHORISED SHARE CAPITAL</b>		
	80,00,000 Equity Shares of face value of Rs. 10/- each	800.00	-
B.	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>		
	36,28,100 fully paid - up Equity Shares of face value of Rs. 10/- each	362.81	-
C.	<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS*</b>		
	Fresh Issue of up to 13,08,000 Equity shares of face value of Rs.10/- each aggregating to Rs. [●] Lakhs <sup>(1)</sup>	130.80	[●]
	<i>Which Comprises of:</i>		
	<i>Reservation for Market Maker portion</i>		
	66,000 Equity Shares of face value of Rs. 10/- each	6.60	[●]
	<i>Net Issue to the Public</i>		
	12,42,000 Equity Shares of face value of Rs. 10/- each	124.20	[●]
	<i>Of the Net Issue to Public:</i>		
	Allocation to Qualified Institutional Buyers		
	26,000 Equity Shares of face value of Rs. 10/- each	2.60	[●]
Allocation to Individual Investors			
6,08,000 Equity Shares of face value of Rs. 10/- each	60.80	[●]	
Allocation to Non-Institutional Investors			
6,08,000 Equity Shares of face value of Rs. 10/- each	60.80	[●]	
D.	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>		
	Upto 49,36,100 Equity Shares of face value of Rs. 10/- each	493.61	
E.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		199.92
	After the Issue		[●]

<sup>(1)</sup>upon finalisation of issue price.

\*The Issue has been authorized pursuant to a resolution of our Board dated October 01, 2024 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 October 10, 2024.

### Class of Shares

The Company has single classes of share capital i.e. Equity Shares of face value of Rs. 10/- each. All Equity Shares issued are fully paid-up. Our Company does not have any outstanding convertible instruments as on the date of this Red Herring Prospectus.



## NOTES TO THE CAPITAL STRUCTURE:

### 1. Details of changes in Authorized Share Capital of our Company

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

Sr. No.	Date of Ordinary Resolution	Nature	From		To	
			No. of Shares	Amount (in Rs.)	No. of Shares	Amount (in Rs.)
1.	March 31, 2003*	Authorised Share Capital	-	-	30,000	30,00,000
2.	March 31, 2006	Authorised Share Capital	30,000	30,00,000	95,000	95,00,000
3.	March 31, 2011	Authorised Share Capital	95,000	95,00,000	1,50,000	1,50,00,000
4.	June 04, 2016	Authorised Share Capital	1,50,000	1,50,00,000	2,00,000	2,00,00,000
5.	May 21, 2024	Authorised Share Capital	2,00,000	2,00,00,000	8,00,000	8,00,00,000

\*On March 31, 2003 our Company was incorporated with an authorised share capital of Rs. 30,00,000 divided into 30,000 Equity Shares of face value of Rs. 100/- each.

### 2. Equity Share Capital History:

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

Date of Allotment	No. of Shares Allotted	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares	Cumulative Paid - up Capital (in Rs.)
Upon Incorporation <sup>#</sup>	1,000	100	100	Subscription to MOA <sup>(1)</sup>	Cash	1,000	1,00,000
April 01, 2003*	29,000	100	-	Allotment of equity shares upon takeover of Partnership by the Promoters <sup>(2)</sup>	Other than Cash	30,000	30,00,000
March 31, 2006	50,000	100	100	Further Issue <sup>(3)</sup>	Cash	80,000	80,00,000
March 19, 2010	15,000	100	200	Further Issue <sup>(4)</sup>	Cash	95,000	95,00,000
March 31, 2011	22,400	100	200	Further Issue <sup>(5)</sup>	Cash	1,17,400	1,17,40,000
March 21, 2014	14,250	100	100	Private Placement <sup>(6)</sup>	Cash	1,31,650	1,31,65,000
March 20, 2016**	18,350	100	190.70	Right Issue <sup>(7)</sup>	Cash	1,50,000	1,50,00,000
July 09, 2016	41,000	100	171	Right Issue <sup>(8)</sup>	Cash	1,91,000	1,91,00,000
Pursuant to the Shareholder's resolution dated May 21, 2024, our Company has sub - divided its equity shares of face value of Rs.100 each to face value of Rs. 10 each. Therefore, 1,91,000 Equity Shares of face value of Rs. 100 each were sub-divided into 19,10,000 Equity Shares of face value of Rs. 10 each.							
May 21, 2024	19,10,000	10	-	Share Split	-	19,10,000	1,91,00,000
July 03, 2024 <sup>s</sup>	14,32,500	10	-	Bonus Issue <sup>(9)</sup>	Other than Cash	33,42,500	3,34,25,000



September 12, 2024	2,85,600	10	80	Preferential Allotment <sup>(10)</sup>	Cash	36,28,100	3,62,81,000
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<sup>#</sup>Shares were subscribed by the Initial Subscribers to Memorandum of Association on incorporation.

<sup>5</sup>As on July 03, 2024, our Company has issued bonus shares to the existing shareholders of our Company has allotted 29,000 fully paid -up equity shares, form filed for allotment of equity shares pursuant to takeover of partnership firm is not traceable. For further details, please refer to the risk factor no. 5 on page 32.

<sup>\*\*</sup>As on March 20, 2016, Form filed for allotment of 18,350 fully paid-up equity shares has been wrongly filed. For further details, please refer to the risk factor no. 5 on page 32.

All the above-mentioned shares are fully paid up since the date of allotment.

- 1) Initial Subscribers to Memorandum of Association hold 1,000 Equity Shares each of face value of Rs. 100/- fully paid - up as per the details given below:

Sr. No.	Name of Subscribers	No. of Equity Shares Subscribed
1.	Anupam Kansal	500
2.	Anita Kansal	500
	<b>Total</b>	<b>1,000</b>

- 2) Allotment of 29,000 Equity Shares upon takeover of partnership firm by the promoters each of face value of Rs.100/- fully paid the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Anupam Kansal	14,500
2.	Anita Kansal	14,500
	<b>Total</b>	<b>29,000</b>

- 3) Further Issue of 50,000 Equity Shares each of face value of Rs.100/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Anupam Kansal	25,000
2.	Anita Kansal	25,000
	<b>Total</b>	<b>50,000</b>

- 4) Further Issue of 15,000 Equity Shares each of face value of Rs.100/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Atul Kumar Kansal	7,500
2.	Naina Kansal	7,500
	<b>Total</b>	<b>15,000</b>

- 5) Further Issue of 22,400 Equity Shares each of face value of Rs.100/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Atul Kumar Kansal	7,950
2.	Anupam Kansal	5,450
3.	Anita Kansal	2,500
4.	Naina Kansal	2,500
5.	Suniti Gupta	2,000
6.	Kanti Kansal	2,000
	<b>Total</b>	<b>22,400</b>



- 6) Private Placement of 14,250 Equity Shares each of face value of Rs.100/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Atul Kumar Kansal	13,250
2.	Anita Kansal	1,000
	<b>Total</b>	<b>14,250</b>

- 7) Right Issue of 18,350 Equity Shares each of face value of Rs.100/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Naina Kansal	8,388
2.	Anita Kansal	5,243
3.	Atul Kumar Kansal	4,719
	<b>Total</b>	<b>18,350</b>

- 8) Right Issue of 41,000 Equity Shares each of face value of Rs.100/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Atul Kumar Kansal	22,000
2.	Anita Kansal	14,600
3.	Naina Kansal	2,000
4.	Anupam Kansal	2,000
5.	Anupam Kansal HUF	200
6.	Atul Kumar Kansal HUF	200
	<b>Total</b>	<b>41,000</b>

- 9) Bonus Issue of 14,32,500 Equity Shares each of face value of Rs.10/- fully paid up for consideration other than cash in the ratio of 6:8 as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Anupam Kansal	7,14,750
2.	Naina Kansal	7,14,750
3.	Rose Kansal	1,125
4.	Karan Kansal	1,125
5.	Rachit Gupta	375
6.	Amit Jaitly	188
7.	Shivani Jaitly	187
	<b>Total</b>	<b>14,32,500</b>

- 10) Preferential Allotment of 2,85,600 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted
1.	Divine Comex Enterprises Private Limited	49,600
2.	Vinay Chawla	19,200
3.	Kapoor Infra Homes Pvt Ltd.	19,200
4.	Aashu Aggarwal	19,200
5.	Manish Garg	19,200
6.	VS Finycore Private Limited	18,400
7.	Setu Goel	11,200
8.	Vrinda Aggarwal	9,600



9.	Trisha Aggarwal	9,600
10.	Anila Jain	9,600
11.	Anuradha Gupta	9,600
12.	Santosh Devi Lalwani	9,600
13.	Muskan Kankaria	9,600
14.	Ruchika Golecha	9,600
15.	Sushila S Luniya	9,600
16.	Suresh H Luniya	9,600
17.	Sunil Jain	9,600
18.	Bharti Garg	9,600
19.	Punit Kumar Rastogi	6,400
20.	Rachit Gupta	6,400
21.	Somil Aggarwal	4,800
22.	Dishant Lodhi	4,800
23.	Dhiraj Jain	1,600
	<b>Total</b>	<b>2,85,600</b>

*Note: Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Red Herring Prospectus.*

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

- **Bonus shares issued in Financial Year 2024 - 2025.**

<b>Date of Allotment</b>	July 03, 2024	
<b>Type of Allotment</b>	Bonus Issue	
<b>Number of Equity Shares</b>	14,32,500	
<b>Face Value (in Rs.)</b>	10/-	
<b>Issue Price (in Rs.)</b>	-	
<b>Reason of Allotment</b>	Other than Cash- Bonus Issue	
<b>Benefits accrued to Company</b>	Capitalisation of Reserves	
<b>Name of Allottees and Number of Equity Shares Allotted</b>	<b>Name of Allottees</b>	<b>Number of Equity Shares Allotted</b>
	Anupam Kansal	7,14,750
	Naina Kansal	7,14,750
	Karan Kansal	1,125
	Rose Kansal	1,125
	Rachit Gupta	375
	Amit Jaitly	188
	Shivani Jaitly	187
	<b>Total</b>	<b>14,32,500</b>

4. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 or under section 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves. we have not issued any equity shares in last one year at price below Issue Price.



7. Except as disclosed below, we have not issued any equity shares in last one year at price below Issue Price:

<b>Date of Allotment</b>	September 12, 2024	
<b>Type of Allotment</b>	Preferential Allotment	
<b>Number of Equity Shares</b>	2,85,600	
<b>Face Value (in Rs.)</b>	10	
<b>Issue Price (in Rs.)</b>	80	
<b>Consideration</b>	Cash	
<b>Benefits accrued to Company</b>	To fulfil enhance the capacity to value chain through working capital requirement.	
<b>Name of the Allottees and no. of equity shares</b>	<b>Name of Allottees</b>	<b>Number of Equity Shares Allotted</b>
	Divine Comex Enterprises Private Limited	49,600
	Vinay Chawla	19,200
	Kapoor Infra Homes Pvt Ltd.	19,200
	Aashu Aggarwal	19,200
	Manish Garg	19,200
	VS Finycore Private Limited	18,400
	Setu Goel	11,200
	Vrinda Aggarwal	9,600
	Trisha Aggarwal	9,600
	Anila Jain	9,600
	Anuradha Gupta	9,600
	Santosh Devi Lalwani	9,600
	Muskan Kankaria	9,600
	Ruchika Golecha	9,600
	Sushila S Luniya	9,600
	Suresh H Luniya	9,600
	Sunil Jain	9,600
	Bharti Garg	9,600
	Punit Kumar Rastogi	6,400
	Rachit Gupta	6,400
	Somil Aggarwal	4,800
	Dishant Lodhi	4,800
Dhiraj Jain	1,600	
<b>Total</b>	<b>2,85,600</b>	

#### 8. Details of Promoters shareholding:

As on the date of this Red Herring Prospectus, our Promoters hold, in aggregate 33,38,125 Equity Shares constituting 92.01% of Pre-issue paid-up share capital of our company. The details regarding our Promoters' shareholding are set forth below:



**(a) Build-up of Promoters' shareholding in our Company**

• **Anupam Kansal**

Date of Allotment / Transfer	Number of Equity Shares	Face Value per Equity Share	Issue/ Transfer price per Equity Share (in Rs.)	Nature of Transaction	Pre-issue shareholding%	Post issue Shareholding %	No. of shares Pledged	% of shares Pledged
Upon Incorporation	500	100	100	Subscription to MOA	0.01	0.01	-	-
April 01, 2003	14,500	100	-	Allotment of equity shares upon takeover of Partnership by the Promoters	0.40	0.29	-	-
March 10, 2004	(12)	100	100	Transfer <sup>(1)</sup>	negligible		-	-
July 31, 2004	12	100	100	Transfer <sup>(2)</sup>	negligible		-	-
March 31, 2006	25,000	100	100	Further issue	0.69	0.51	-	-
March 31, 2011	5,450	100	200	Further issue	0.15	0.11	-	-
July 09, 2016	2,000	100	171	Right issue	0.06	0.04	-	-
March 30, 2017	200	100	-	Transfer through gifts <sup>(3)</sup>	0.01	Negligible	-	-
March 13, 2020	47,650	100	-	Transfer through gifts <sup>(4)</sup>	1.31	0.97	-	-
May 21, 2024	9,53,000	10	-	Split of 1 Equity Share of Rs.100 each into 10 Equity Shares of Rs.10 each <sup>(5)</sup>	26.27	19.31	-	-
July 03, 2024	7,14,750	10	-	Bonus Issue	19.70	14.48	-	-
<b>Total</b>	<b>16,67,750</b>				<b>45.97</b>	<b>33.79</b>		

<sup>(1)</sup>Mr. Anupam Kansal transferred 2 equity shares each to M/s Anshika Fab., M/s Gaurav Textiles, M/s Goyal Trading Co., M/s Sanjay Textiles, Mr. Amit Gupta and Mr. Ashish Gupta.

<sup>(2)</sup> Mr. Anupam Kansal received 2 equity shares each from Goyal Trading Co., Sanjay Textiles, Mr. Amit Gupta, Mr. Ashish Gupta, Mr. Kanti Prasad Gupta and Mr. Ravish Vashishtha.

<sup>(3)</sup> Mr. Anupam Kansal received 200 equity shares from Ms. Kanti Kansal in form of gift. The form and gift deed for the same are not available with us.

<sup>(4)</sup> Mr. Anupam Kansal received 47,650 equity shares from Mr. Atul Kumar Kansal in form of gift and the gift deed was executed on March 13, 2020.

The transfer forms for the above-mentioned transfers are not traceable. For further details, please refer to the Risk Factor no. 5 on page 32.



<sup>(3)</sup> Shares held by Mr. Anupam Kansal as on March 31, 2024 was 95,300 at face value of Rs. 100 each, pursuant to shareholder's resolution dated May 21, 2024, each fully paid-up equity shares of our company of face value of Rs.100 was sub-divided into Equity Shares of face value of Rs.10 each. Therefore, the no. of shares held by Mr. Anupam Kansal post sub – division is 9,53,000 of face value of Rs. 10 each.

- **Naina Kansal**

Date of Allotment / Transfer	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Nature of Transaction	Pre-issue shareholding%	Post issue Shareholding %	No. of shares Pledged	% of shares Pledged
March 19, 2010	7,500	100	200	Further issue	0.21	0.15	-	-
March 31, 2011	2,500	100	200	Further issue	0.07	0.05	-	-
March 20, 2016	8,388	100	190.70	Right Issue	2.31	0.17	-	-
March 30, 2017	27,262	100	-	Transfer through gifts <sup>(1)</sup>	0.75	0.55	-	-
July 09, 2016	2,000	100	171	Further issue	0.06	0.04	-	-
March 13, 2020	47,650	100	-	Transfer through gifts <sup>(2)</sup>	1.31	0.97	-	-
May 21, 2024	9,53,000	10	-	Split of 1 Equity Share of Rs.100 each into 10 Equity Shares of Rs.10 each. <sup>(3)</sup>	26.27	19.31	-	-
July 03, 2024	7,14,750	10	-	Bonus issue	19.70	14.48	-	-
<b>Total</b>	<b>16,67,750</b>				<b>45.97</b>	<b>33.79</b>		

<sup>(1)</sup>Ms. Naina Kansal received 1,800 equity shares from Ms. Kanti Kansal, 2,000 equity shares from Ms. Suniti Gupta, 7,769 equity shares from Mr. Atul Kumar Kansal, 15,693 equity shares from Ms. Anita Kansal, received in form of gift. The forms and gift deeds are not traceable. For further details, please refer to the Risk Factor no. 5 on page 32.

<sup>(2)</sup>Ms. Naina Kansal received 47,650 equity shares from Ms. Anita Kansal in form of gift. The form and gift deed are not traceable. For further details, please refer to the Risk Factor no. 5 on page 32.

<sup>(3)</sup>Shares held by Ms. Naina Kansal as on March 31, 2024 was 95,300 at face value of Rs. 100 each, pursuant to shareholder's resolution dated May 21, 2024, each fully paid-up equity shares of our Company of face value of Rs.100 was sub-divided into Equity Shares of face value of Rs.10 each. Therefore, the no. of shares held by Ms. Naina Kansal post sub – division is 9,53,000 of face value of Rs. 10 each.



• **Rose Kansal**

Date of Allotment / Transfer	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Nature of Transaction	Pre-issue shareholding%	Post issue Shareholding %	No. of shares Pledged	% of shares Pledged
May 18, 2024	150	100	100	Transfer <sup>(1)</sup>	negligible		-	-
May 21, 2024	1,500	10	-	Split of 1 Equity Share of Rs. 100 each into 10 Equity Shares of Rs. 10 each <sup>(2)</sup>	0.04	0.03	-	-
July 03, 2024	1,125	10	-	Bonus Issue	0.03	0.02	-	-
<b>Total</b>	<b>2,625</b>				<b>0.07</b>	<b>0.05</b>		

<sup>(1)</sup>Ms. Rose Kansal received 150 equity shares from Anupam Kansal HUF.

<sup>(2)</sup>Shares held by Ms. Rose Kansal as on March 31, 2024 was 150 at face value of Rs. 100 each, pursuant to shareholder's resolution dated May 21, 2024, each fully paid-up equity shares of our Company of face value of Rs.100 was sub-divided into Equity Shares of face value of Rs.10 each. Therefore, the no. of shares held by Ms. Rose Kansal post sub – division is 1,500 of face value of Rs. 10 each.

9. Except as mentioned above, our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months.
10. Our Promoters have confirmed to the Company and the Book Running Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchanges.
12. Details of Promoter's Contribution locked in for three years: As per sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the Post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the Post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoter's Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.



Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoter's Contribution of 20% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoter's Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter's Contribution are set forth in the table below:

Date of Allotment/Transfer	No. of Equity Shares Locked-in*	Face Value (in Rs.)	Issue/ Acquisition Price (in Rs.)	Nature of Allotment	% of Pre-Issue Capital	% of Post Issue Capital	Lock-in Period
<b>Mr. Anupam Kansal (A)</b>							
May 21, 2024	5,00,000	10	Nil	Bonus Issue	13.78	10.13	3 years
<b>Total (A)</b>	<b>5,00,000</b>				<b>13.78</b>	<b>10.13</b>	
<b>Ms. Naina Kansal (B)</b>							
May 21, 2024	5,00,000	10	Nil	Bonus Issue	13.78	10.13	3 years
<b>Total (B)</b>	<b>5,00,000</b>				<b>13.78</b>	<b>10.13</b>	
<b>Grand Total (A+B)</b>	<b>10,00,000</b>				<b>27.56</b>	<b>20.26</b>	

\*Subject to finalization of Basis of Allotment.

Note: It is hereby confirmed that 50% of promoter's holding in excess of minimum promoter's contribution shall be locked-in for a period of 2 years and remaining 50% shareholding for a period of 1 year from the date of allotment in the IPO in accordance with Regulation 238(b).

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations. It is clarified that the price per share for determining securities ineligible for minimum promoters' contribution, shall be determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by our Company. Equity Shares offered by the Promoters for the minimum Promoter's contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Public Issue. We confirm that the minimum Promoter's contribution of 20% which is subject to lock-in for three years does not consist of:

1. Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
2. Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoter's contribution;
3. Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
4. The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge.
5. Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.



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.

***Equity Shares locked-in for one and two years, as the case may be, other than Minimum Promoter’s Contribution***

In addition to the Promoter’s Contribution that are locked-in for three years as the minimum Promoter’s contribution, as per regulation 238 (b) promoters’ holding in excess of minimum promoters’ contribution shall be locked-in as follows:

- i. fifty percent. of promoters’ holding in excess of minimum promoters’ contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and
- ii. remaining fifty percent. of promoters’ holding in excess of minimum promoters’ contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

Additionally, the public shareholding of the Pre-Issue Equity Share Capital of our Company, shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

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

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

***Pledge of Locked in Equity Shares***

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

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

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

***Transferability of Locked in Equity Shares***

Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

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



### 13. Shareholding Pattern of our Company:

A. The table below represents the current shareholding pattern of our Company:

#### 1. Summary of Shareholding Pattern

Category code	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 No. of shares held. VII = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X) -Equity Share	Class (eg: Y)	Total								
A	Promoters & Promoter Group	5	33,41,187	-	-	33,41,187	92.09	33,41,187	-	33,41,187	92.09	-	-	-	-	-	-	33,41,187
B	Public	24	2,86,913	-	-	2,86,913	7.91	2,86,913	-	2,86,913	7.91	-	-	-	-	-	-	2,86,913
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C 1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



C 2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>29</b>	<b>36,28,100</b>	-	-	<b>36,28,100</b>	<b>100.00</b>	<b>36,28,100</b>	-	<b>36,28,100</b>	<b>100.00</b>	-	-	-	-	-	-	<b>36,28,100</b>

*\*As on the date of this Red Herring Prospectus 1 Equity Share holds 1 vote. There is no voting right on the preference shares issued by our Company.*

*\*\*Shall be locked-in on or before filing of Prospectus with BSE, SEBI & RoC.*



## B. Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group (individuals).

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-issue Capital	No. of Equity Shares	% of Post-issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
<b>Promoters</b>					
1.	Mr. Anupam Kansal	16,67,750	45.97	16,67,750	33.79
2.	Ms. Naina Kansal	16,67,750	45.97	16,67,750	33.79
3.	Ms. Rose Kansal	2,625	0.07	2,625	0.05
<b>Promoters Group</b>					
4.	Mr. Karan Kansal	2,625	0.07	2,625	0.05
5.	Mr. Amit Jaitly	437	0.01	437	0.01
	<b>Total</b>	<b>33,41,187</b>	<b>92.09</b>	<b>33,41,187</b>	<b>67.69</b>

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Anupam Kansal	16,67,750	3.26
Ms. Naina Kansal	16,67,750	1.91
Ms. Rose Kansal	2,625	5.71

*Note: The Cost of Acquisition of Equity Shares by the Promoters has been certified by the Statutory Auditor of the Company, M/s Singhal Gupta & Co. LLP, Chartered Accountants, vide certificate dated November 14, 2024 bearing UDIN: 24420018BKDNPD6392.*

14. The List of the Shareholders of the Company holding 1% or more of the paid-up share capital.

- **As on the date of this Red Herring Prospectus**

Sr. No.	Name of Shareholders	No. of Equity Shares (FV of Rs. 10/- each)	% of Pre-issue Capital
1.	Mr. Anupam Kansal	16,67,750	45.97
2.	Ms. Naina Kansal	16,67,750	45.97
3.	Ms. Deepika Tandon	49,600	1.37
	<b>Total</b>	<b>33,85,100</b>	<b>93.30</b>

- **Ten days prior to the date of this Red Herring Prospectus.**

Sr. No.	Name of Shareholders	No. of Equity Shares (FV of Rs. 10/- each)	% of Pre-issue Capital
1.	Mr. Anupam Kansal	16,67,750	45.97
2.	Ms. Naina Kansal	16,67,750	45.97
3.	Ms. Deepika Tandon	49,600	1.37
	<b>Total</b>	<b>33,85,100</b>	<b>93.30</b>



- **One Year prior to the date of this Red Herring Prospectus.**

Sr. No.	Name of Shareholders	No of Equity Shares (FV of Rs.100/- each)	% of Pre-issue Capital
1.	Mr. Anupam Kansal	16,67,750	45.89
2.	Ms. Naina Kansal	16,67,750	45.89
<b>Total</b>		<b>33,35,500</b>	<b>99.79</b>

- **Two Years prior to the date of this Red Herring Prospectus.**

Sr. No.	Name of Shareholders	No. of Equity Shares (FV of Rs. 100/- each)	% of Pre-issue Capital
1.	Mr. Anupam Kansal	95,300	49.89
2.	Ms. Naina Kansal	95,300	49.89
3.	Anupam Kansal HUF	400	0.21
<b>Total</b>		<b>1,91,000</b>	<b>100.00</b>

15. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Book Running Lead Manager for purchase of Equity Shares offered through this Red Herring Prospectus.
16. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
17. Except, as otherwise disclosed in the chapter titled "*Objects of the Issue*" beginning on page 90, we have not raised any bridge loans against the proceeds of the Issue.
18. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading titled "*Basis of Allotment*" beginning on page 295.
19. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
20. Except as disclosed in this Red Herring Prospectus, our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Red Herring Prospectus.
21. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
22. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and BSE Limited.
23. The issuer shall not make an allotment pursuant to a public issue if the number of allottees in an initial public offer is less than two hundred.
24. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. 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 to ensure that 20% of the post issue paid-up capital is locked-in.
25. As per Regulation 268 (3) of SEBI (ICDR) Regulations, 2018 read with SEBI (ICDR) Amendment, 2025 The allotment of specified securities to applicants other than individual investors "who applies for minimum application -size and non-institutional investors shall be on proportionate basis within the specified 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 in the offer document. Provided that the value of specified securities allotted to any person, except in case of employees, in pursuance of reservation made under clause (a) of sub-regulation (1) or clause (a) of sub-regulation (2) of regulation 254, shall not exceed two lakhs rupees.



26. As per Regulation 268 (3A), subject to the availability of shares in non-institutional investors' category, the allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of these regulations." The Issue is being made through Book Building Method.
27. As on date of filing of this Red Herring Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
28. On the date of filing this Red Herring Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
29. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
30. Book Running Lead Manager to the Issue viz. Khambatta Securities Limited and its associates do not hold any Equity Shares of our company.
31. Our Company has not revalued its assets since incorporation.
32. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
33. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
34. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
35. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Red Herring Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
36. Except as disclosed in this Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Bid /Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
37. The Company is in the compliance with the Companies Act, 1956 & Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Red Herring Prospectus.



## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 13,08,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs.

#### FRESH ISSUE

We intend to utilize the proceeds of the Issue to meet the following objects: -

1. To meet the working capital requirements of the Company;
2. To fund the expansion plan of the Company i.e. Capital expenditure towards purchase of Plant and Machinery.
3. Partial Pre-payment of term loans to banks, and
4. General Corporate Purpose.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum of Association enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the object's clause of our Memorandum.

#### NET ISSUE PROCEEDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs. [●] Lakhs (the "Net Issue Proceeds").

The details of the Net Issue Proceeds are set forth below:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
1.	Gross Proceeds of the Issue*	[●]
2.	Less: Issue related expenses	[●]
	<b>Net Issue Proceeds</b>	[●]

\*To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

#### FUND REQUIREMENTS

The fund requirement and deployment of funds for working capital requirements, capital expenditure towards purchase of Plant and Machinery and civil work and prepayment of term loans to banks are based on internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank or financial institution or any other external agency. In case the company requires capital more than the estimated capital, it shall be met from the internal accruals. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, revision in statutory dues payable to the onsite employees and interest rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
1.	Working Capital Requirements	950.00
2.	To fund the expansion plan of the Company i.e. Capital expenditure towards purchase of Plant and Machinery.	440.00
3.	Partial Pre-payment of term loans to bank.	132.00
4.	General Corporate Purposes <sup>(1)</sup>	[●]
	<b>Total</b>	[●]

<sup>(1)</sup>To be determined on finalisation of the Issue Price and updated in the Prospectus. The amount utilised for General Corporate Purposes shall not exceed 15% of the Gross Proceeds of the Fresh Issue or Rs. 1,000.00 Lakhs, whichever is lower.



The requirements of the objects detailed above are intended to be funded from the Net Proceeds, internal accruals, net-worth, existing debt financing and unsecured loans. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue, as per Regulation 230(1)(e) of the SEBI (ICDR) Regulations.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. In case the company requires capital more than the estimated capital, it shall be met from the internal accruals. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

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

For further details on the risks involved in our business plans and executing our business strategies, please refer to the chapter titled “Risk Factors” beginning on page 29.

#### DETAILS OF UTILIZATION OF ISSUE PROCEEDS

##### 1. To meet working capital requirements:

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from various banks, financial institutions and unsecured loans. For further details, please refer to the chapter titled “Financial Indebtedness” beginning on page 202.

##### A) Existing Working Capital:

The details of the Company’s working capital as at March 31, 2025, March 31, 2024 and March 31, 2023 and the source of funding, derived from the restated standalone financial statements of our Company, on the basis of Certificate dated July 26, 2025 issued by our Statutory Auditor, M/s Singhal Gupta & Co. LLP, Chartered Accountants, bearing UDIN: 25420018BMHQX3736 are provided in the table below:

(Rs. in Lakhs)

Particulars	Fiscal 2025 (Actual)	No. of days	Fiscal 2024 (Actual)	No. of days	Fiscal 2023 (Actual)	No. of days
<b>Current Assets</b>						
Trade Receivables	793.70	69	650.52	64	632.21	71
Inventories	423.21	37	359.31	35	657.01	74
Loans & Advances	5.10		10.02		133.31	
Other Current Assets	360.44		297.93		243.26	
<b>Total Current Assets (A)</b>	<b>1,582.46</b>		<b>1,317.77</b>		<b>1,665.79</b>	
<b>Current Liabilities</b>						
Trade Payables	335.35	48	621.25	93	472.05	83
Other Current Liabilities	30.71		27.98		31.27	
Short Term Provisions	73.51		62.49		0.00	



<b>Total Current Liabilities (B)</b>	<b>439.56</b>	<b>711.72</b>	<b>503.32</b>
<b>Total Working Capital Requirements (A-B)</b>	<b>1142.90</b>	<b>606.05</b>	<b>1162.47</b>
<b>Funding Pattern</b>			
<b>Working Capital Funding from Banks and Financial Institutions</b>	<b>377.96</b>	<b>226.79</b>	<b>770.72</b>
<b>Internal Accruals</b>	<b>764.94</b>	<b>379.26</b>	<b>343.26</b>
<b>Unsecured Loans</b>	<b>-</b>	<b>-</b>	<b>48.49</b>

### B) Estimated Working Capital Requirements

Our Company proposes to utilize Rs. 950.00 lakhs from the Net Proceeds for our estimated working capital requirements in the Fiscal 2026. The balance portion of our Company working capital requirement if any, shall be met from the working capital facilities availed/ to be availed and internal accruals. The estimated working capital requirements, as approved by the Board dated July 26, 2025 & certified by the Statutory Auditor M/s Singhal Gupta & Co. LLP, Chartered Accountants *vide* the certificate dated July 26, 2025, bearing UDIN: 25420018BMHQX3736 and key assumptions with respect to the determination of the same are mentioned below. Our Company's estimated working capital requirements for the Fiscal 2026 for the proposed funding of such working capital requirements are as set out in the table below:

(Rs. in Lakhs)

<b>Particulars</b>	<b>Fiscal 2026 (Projected)</b>	<b>No. of Days</b>
<b>Current Assets</b>		
Trade Receivables	986.30	60
Inventories	650.00	40
Loans & Advances	10.00	
Other Current Assets	300.00	
<b>Total Current Assets (A)</b>	<b>1,946.30</b>	
<b>Current Liabilities</b>		
Trade payables	300.00	31
Other current liabilities	35.00	
Short-term provisions	0.00	
<b>Total Current Liabilities (B)</b>	<b>335.00</b>	
<b>Total Working Capital Requirements (A-B)</b>	<b>1611.30</b>	
<b>Funding Pattern</b>		
<b>Working Capital Funding from Banks and Financial Institutions</b>	<b>-</b>	
<b>Proposed Working Capital to be funded from IPO</b>	<b>950.00</b>	
<b>Internal Accruals*</b>	<b>661.30</b>	
<b>Unsecured Loan</b>	<b>-</b>	

\*Internal accruals include projected profit for the financial year and the Reserve & Surplus of Rs. 1,230.91 lakhs as of March 31, 2025.



As disclosed in the above table, Company's working capital requirements majorly consists of Inventories and Trade Receivables:

(Rs. in Lakhs)

Particulars	Fiscal 2026 (Projected)	Fiscal 2025 (Audited)	Fiscal 2024 (Audited)	Fiscal 2023 (Audited)
Total Working Capital Requirements	1,611.30	1,142.90	606.05	1,162.47
Trade Receivables	986.30	793.70	650.52	632.21
Inventories	650.00	423.21	359.31	657.01

**Reason for high Inventories: -**

The cost of production for our Company mainly dependent on cost of raw material i.e. Yarn, which may fluctuate due to various micro and macro-economic factors. Our Company constantly keep an eye on the market dynamics and decides the level of inventory based on projected demand and expected price fluctuations of Yarn. Our Company intends to maintain optimum level of inventory to cater demand and minimize the cost of production. Typically, our Company maintain inventory for 30 – 40 days in FY 2024 and FY 2025 and our inventory holding period was 74 days in FY 2023 to ensure adequate availability of the raw material at a more competitive price. However, there may be diversions due to various micro and macro-economic factors.

**Reason for high Trade receivables: -**

Our Company faces stiff competition from large numbers of domestic manufactures who may have strong presence nationally and in some particular local market. Additionally, we are not untouched with the competition from the international seller in this globalized world. To promote sales and push demand for our product our company offer longer credit to the customers. Longer credit cycle helps Company to remain competitive in the market and expand market presence and foster relations with the old and new customers. We offer credit period of 60 –75 days depending on the customers. Our credit policy is influenced by the market demand for our products, which is shaped by a variety of macroeconomic and microeconomic factors.

**Reason for increase in sales and profit after tax in past financial years are:**

**FISCAL 2025**

The revenue from operations increased by Rs. 462.06 Lakhs or 12.46% to Rs. 4170.32 Lakhs for the fiscal 2025 as compared to Rs. 3,708.26 Lakhs for Fiscal 2024. This is primarily due to increase in demand in domestic market.

As per the Restated Standalone Financial Statement, our profit after tax increased by Rs. 253.19 Lakhs to Rs. 456.18 lakhs for Fiscal 2025 as compared to Rs. 202.99 Lakhs for Fiscal 2024, for further information in respect of changes in profits, kindly refer to the chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 210.

**FISCAL 2024**

Our revenue from operations increased by Rs. 476.05 lakhs or 14.73% to Rs. 3,708.26 lakhs for Fiscal 2024 as compared to Rs. 3,232.21 lakhs for Fiscal 2023. This increase in revenue from operations was primarily healthy product demand and favourable market dynamics.

As per the Restated Standalone Financial Statement, our profit after tax increased by Rs. 170.69 lakhs or 528.45 % to Rs. 202.99 lakhs for Fiscal 2024 as compared to Rs. 32.30 lakhs for Fiscal 2023, for further information in respect of changes in profits, kindly refer to the chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 210.



Sr. No.	Particulars	Assumptions																				
<b>Current Assets</b>																						
1.	Inventories	<p>In the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our inventory days were 37 days, 35 days and 74 days respectively. The Company would utilize the proceeds from IPO towards WCR by maintaining inventory levels at 40 days Fiscal 2026. Our Company will maintain higher inventory levels in Fiscal 2026 as compared to Fiscal 2025 to effectively maintain inventory due to higher expected demand and effectively managing price fluctuation of raw material i.e. Yarn.</p> <p><b>Change in Inventories: -</b></p> <p style="text-align: right;"><i>(Rs. in lakhs)</i></p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2025-26 (Projected)</th> <th>FY 2024-25 Audited</th> <th>FY 2023-24 Audited</th> <th>FY 2022-23 Audited</th> </tr> </thead> <tbody> <tr> <td>Inventories</td> <td>650.00</td> <td>423.21</td> <td>359.31</td> <td>657.01</td> </tr> <tr> <td>Changes in Inventories</td> <td>226.79</td> <td>63.90</td> <td>(297.7)</td> <td>-</td> </tr> <tr> <td>Change (%)</td> <td>53.59</td> <td>17.78</td> <td>(45.31)</td> <td>-</td> </tr> </tbody> </table> <p>Our inventories shall increase by Rs. 226.79 Lakhs or 53.59 % to Rs. 650.00 Lakhs for Fiscal 2026 compared to Rs. 423.21 Lakhs for Fiscal 2025. Our Company shall utilise the issue proceed toward funding Working Capital Requirement arising primarily due to higher expected revenue growth and maintaining higher inventories levels to manage inventory effectively.</p> <p>It will also help us to safeguard from the price fluctuations in the domestic as well as international market.</p>	Particulars	FY 2025-26 (Projected)	FY 2024-25 Audited	FY 2023-24 Audited	FY 2022-23 Audited	Inventories	650.00	423.21	359.31	657.01	Changes in Inventories	226.79	63.90	(297.7)	-	Change (%)	53.59	17.78	(45.31)	-
Particulars	FY 2025-26 (Projected)	FY 2024-25 Audited	FY 2023-24 Audited	FY 2022-23 Audited																		
Inventories	650.00	423.21	359.31	657.01																		
Changes in Inventories	226.79	63.90	(297.7)	-																		
Change (%)	53.59	17.78	(45.31)	-																		
2.	Trade Receivables	<p>In the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our receivable days were 69 days, 64 days and 71 days respectively. The Company would utilize the proceeds from IPO towards WCR extending credit period to customers of 60 days for Fiscal 2026.</p> <p><b>Change in Trade Receivables: -</b></p> <p style="text-align: right;"><i>(Rs. in Lakhs)</i></p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2025-26 (Projected)</th> <th>FY 2024-25 Audited</th> <th>FY 2023-24 Audited</th> <th>FY 2022-23 Audited</th> </tr> </thead> <tbody> <tr> <td>Trade Receivables</td> <td>986.30</td> <td>793.70</td> <td>650.52</td> <td>632.21</td> </tr> <tr> <td>Changes in Trade Receivables</td> <td>192.60</td> <td>143.18</td> <td>18.31</td> <td>-</td> </tr> <tr> <td>Change (%)</td> <td>24.27</td> <td>22.01</td> <td>2.90</td> <td>-</td> </tr> </tbody> </table> <p>Our trade receivables shall increase by Rs. 192.60 Lakhs or 24.27 % to Rs. 986.30 Lakhs for Fiscal 2026 compared to Rs. 793.70 Lakhs for Fiscal 2025.</p> <p>In Fiscal 2026 the receivable days shall be 60 days from usual 60-75 days in the past due to following reasons:</p> <ol style="list-style-type: none"> <li>1. Stricter credit policies and proactive follow-ups on outstanding payments.</li> <li>2. Company being a registered entity as per MSME Act, 2006, is supposed to realise payment from its debtors within 45 days. Section 43B(h) of the Income Tax Act, 1969 stipulates that any sum owed to Micro and Small enterprises for goods supplied or services given may be deducted in the same year if it is paid within the</li> </ol>	Particulars	FY 2025-26 (Projected)	FY 2024-25 Audited	FY 2023-24 Audited	FY 2022-23 Audited	Trade Receivables	986.30	793.70	650.52	632.21	Changes in Trade Receivables	192.60	143.18	18.31	-	Change (%)	24.27	22.01	2.90	-
Particulars	FY 2025-26 (Projected)	FY 2024-25 Audited	FY 2023-24 Audited	FY 2022-23 Audited																		
Trade Receivables	986.30	793.70	650.52	632.21																		
Changes in Trade Receivables	192.60	143.18	18.31	-																		
Change (%)	24.27	22.01	2.90	-																		



		<p>deadline stipulated by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. This provision has pushed debtors to make payment within 45 days of purchase.</p> <p>3. There may be circumstances where our debtors may delay on payment owing to financial dispute and conflict due to payment and other issues. This may push the receivables days beyond 45 days. For more information on Trade Receivables Aging, kindly refer to the section titled “<i>Financial Information</i>” beginning on page 201.</p>																				
3.	Loans & Advances	In the Fiscal 2025, 2024 and 2023 our Short-Term Loans and Advances were Rs. 5.10 Lakhs, Rs. 10.02 Lakhs, and Rs. 133.31 Lakhs respectively We have maintained the same as Rs. 10.00 Lakhs in the Fiscal Year 2026 also.																				
4.	Other Current Assets	In the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our Other Current Assets were Rs. 360.44 Lakhs Rs. 297.93 Lakhs and Rs. 243.26 Lakhs respectively. The same is expected to amount for Rs. 300.00 Lakhs in Fiscal 2026. Other Current Assets primarily include Balance of Direct/ Indirect Tax with the Government Authorities which is expected to increase in line with the increase in the revenue and profit of the Company.																				
<b>Current Liabilities</b>																						
5.	Trade Payables	<p>Our trade payables have been for 48 days, 93 days and 83 days for the Fiscal 2025 Fiscal 2024, and 2023 respectively. However, going forward we estimate to maintain payables at 31 days for Fiscal 2026.</p> <p><b>Change in Trade Payables: -</b></p> <p style="text-align: right;"><i>(Rs. in Lakhs)</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">FY 2025-26 (Projected)</th> <th style="text-align: center;">FY 2024-25 Audited</th> <th style="text-align: center;">FY 2023-24 Audited</th> <th style="text-align: center;">FY 2022-23 Audited</th> </tr> </thead> <tbody> <tr> <td>Trade Payables</td> <td style="text-align: center;">300.00</td> <td style="text-align: center;">335.35</td> <td style="text-align: center;">621.25</td> <td style="text-align: center;">472.05</td> </tr> <tr> <td>Changes in Trade Payables</td> <td style="text-align: center;">(35.35)</td> <td style="text-align: center;">(285.90)</td> <td style="text-align: center;">149.2</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Change (%)</td> <td style="text-align: center;">(10.54)</td> <td style="text-align: center;">(46.02)</td> <td style="text-align: center;">31.61</td> <td style="text-align: center;">-</td> </tr> </tbody> </table> <p>Our trade payables shall decrease by Rs. 35.35 lakhs or 10.54 % to Rs. 300.00 lakhs for Fiscal 2026 compared to Rs.335.35 lakhs for Fiscal 2025.</p> <p>Our Company expect to contract trade payable cycle to 31 days in Fiscal 2026 from historical 80 – 95 days. This strategic shift will enable us to secure better payment terms from suppliers and strengthen supplier relationships. Ultimately, this improvement will enhance the efficiency and reliability of our supply chain, ensuring smoother operations and cost-effective procurement.</p>	Particulars	FY 2025-26 (Projected)	FY 2024-25 Audited	FY 2023-24 Audited	FY 2022-23 Audited	Trade Payables	300.00	335.35	621.25	472.05	Changes in Trade Payables	(35.35)	(285.90)	149.2	-	Change (%)	(10.54)	(46.02)	31.61	-
Particulars	FY 2025-26 (Projected)	FY 2024-25 Audited	FY 2023-24 Audited	FY 2022-23 Audited																		
Trade Payables	300.00	335.35	621.25	472.05																		
Changes in Trade Payables	(35.35)	(285.90)	149.2	-																		
Change (%)	(10.54)	(46.02)	31.61	-																		
6.	Other Current Liabilities	<p>In the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our Other Current Liabilities were Rs. 30.71 Lakhs, Rs. 27.97 Lakhs and Rs. 31.27 Lakhs respectively. The same is expected to amount for Rs. 35.00 Lakhs in Fiscal 2026 respectively.</p> <p>Other Current Liabilities generally consist of advance from customers, interest payable and other payables.</p>																				
7.	Short-term Provisions	In the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our short – term provisions Rs. 73.51 Lakhs, Rs. 62.49 lakhs and Nil respectively. The same is expected to amount to Nil Fiscal 2026.																				



**2. To fund the expansion plan of the Company i.e. Capital expenditure towards purchase of Plant and Machinery.**

On an ongoing basis, we invest in the procurement of capital equipment, which is utilized by us in carrying out our business, based on our order book and the future requirements estimated by our management. In relation to the purchase and installing Plant and Machinery, we propose to utilize Rs. 440.00 Lakhs out of the Net Proceeds towards purchase and instalment of Plant and Machinery.

While we propose to utilize Rs. 440.00 Lakhs towards purchasing capital equipment, based on our current estimates.

The above object has been placed before the Board of Directors on July 26, 2025.



(Rs. in Lakhs)

Sr. No.	Quotation No.	Date of Quotation	Validity of Quotation	Vendor Name	Item Description	Quantity	Payment Schedule	Total Amount of Purchase Order (A)1	Amount to be funded from Internal Accruals / Bank Finance	Amount to be funded from Net Proceeds from Issue (B)
1.	BX24 IN 11025	July 10, 2025	October 31, 2025	Quanzhou Baixing Machinery Co., Ltd	Double Jersey Jacquard Circular Knitting Machine 38”20G72F With All Branded Accessories (HSN 84471290)	10	T/T30% Down Payment+ 70% Balance Before Shipment.	474.65	-	400.00
					Double Jersey Both Side Jacquard Circular Knitting Machine 38”20G60F With All Brandard Accessories (Hsn 84471290)	2		113.22		100.00
<b>Total Quotation for Quotation No. BX24 IN 11025</b>								<b>587.87</b>	<b>87.87</b>	<b>500.00</b>
(A)	Gross Total									500.00
(B)	<b>Less: Subsidy of Rs. 100.00 Lakhs as per the UP Textile and Garmenting Policy 2022.</b>									100.00
(C)	<b>Net amount after subsidy</b>									400.00
(D)	Contingency @10% of total machinery cost **									40.00
(E)	Total machinery cost including contingency (A)+(B)									440.00
(F)	Less: Advance Payment									Nil
(G)	<b>Remaining Payment to be utilized through IPO proceeds (C)+(D)</b>									<b>440.00</b>

\*\*Considered to account for other miscellaneous expenditure such as, labour charges for loading/unloading, inspection charges, commissioning charges, freight, insurance, entry tax, customs duty, goods and services tax (wherever applicable), fluctuation in cost at the time of actual order and other applicable taxes as these can be determined only at the time of placing of orders.

**Notes:**

- The total value as per quotation is 6,75,000 which are denominated in USD. Such amounts have been converted into INR using a conversion rate of 1 USD = 87.0919 Rupees (the exchange rate is taken from <https://www.rbi.org.in/> as at August 20, 2025.)



2. We have considered the above quotation for the budgetary estimate purpose. The actual cost of procurement and actual supplier/dealer may vary. 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 project cost.
3. The quotations in relation to the machineries are issued prior to the date of this Red Herring Prospectus and except as indicated above, the machineries will be delivered at later stage. We have received two other quotations from different vendors.
4. The quantity of machineries that are yet to be purchased is based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such machineries according to the business requirements of our Company and based on estimates of our management. Further, our Promoters, Directors, Key Managerial Personnel and the Group Entities do not have any interest in the proposed acquisition of the machineries or in the entity from whom we have placed quotations in relation to such proposed acquisition of the machineries.
5. No second-hand or used machineries is proposed to be purchased out of the Net Proceeds. Each of the units of Machineries mentioned above is proposed to be acquired in a ready-to-use condition.
6. The total area of the building is 30,625 Sq. ft., out of which 6,150 sq. ft. is an installed area. The machineries are proposed to be set up on the first floor of the registered office located at B-9, 10 & 11, Udyog Puram Delhi Road, Partapur, Meerut, Uttar Pradesh- 250103, India. The area is admeasuring in 350 Sq. ft. for one machinery and for 12 machineries, the company will require the area of approximately 4,200 Sq. ft.

**Company has chosen the above-mentioned vendor under the following criteria/process:**

1. The company approaches the agents of the respective companies who are manufacturing the machinery.
2. The agent guides the authorized person from the company along with an engineer to the manufacturing facility where the machinery is already installed and is in workable position.
3. The authorized person from the company, along with an engineer visits the manufacturing facility of the companies where the machinery is already installed and is in workable position.
4. Inspection of the machinery is done by the engineer and authorized person.
5. Preliminary discussion regarding the capacity, pricing, quality and customization is done.
6. After preliminary discussion the quotation is received.
7. Board of directors passes the board resolution for selecting the machinery.
8. No advance payment is executed at the quotation level.

**3. Partial Prepayment of term loans to banks**

As on August 13, 2025, certified by the Chartered Accountant, M/s Singhal Gupta & Co. LLP pursuant to their certificate dated August 13, 2025 bearing UDIN: 25420018BMHQRJ3944, our outstanding fund-based borrowings from the below mentioned loans were amounted to Rs. 427.95 lakhs as on August 12, 2025, our company has utilized these loans for the procurement of machinery. Our Company has entered into various financial arrangements from time to time, with banks, financial institutions and other parties. The loan facilities availed by our Company include borrowing in the form of, inter alia, term loans and working capital facility from various lenders. For further details, please refer to the chapter titled “Financial Indebtedness” beginning on page 202. Our Company proposes to utilize an estimated amount of Rs. 132.00 lakhs from the Net Proceeds towards full or partial prepayment or pre-payment of certain borrowings, listed below, availed from the lenders by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.



The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

Sr. No.	Name of the lender	Nature of the borrowing	Sanctioned amount (Rs. in lakhs)	Amount Outstanding as August 12, 2025 (Rs. in lakhs)	Rate of interest (%)	Prepayment Penalty	Purpose for which the loan was sanctioned
1.	The Federal Bank Limited	Term Loan	135.00	54.64	8.05	Nil	<p>1. Used Mayer &amp; Cie Circular Knitting Machine Model Ovja 1.6 E 38 Diameter 20 Gauge, 2007 Years with Standard Accessories Machine No: 61439, 61300, 64362 <b>Year of Purchase: 2023</b> <b>No. of Machinery purchased: 3</b></p> <p>Used Mayer &amp; Cie Circular Knitting Machine Model Ovja 1.6 Em 38 Diameter 20 Gauge, 2015 Years with Standard Accessories Machine No: 68055 <b>Year of Purchase: 2023</b> <b>No. of Machinery purchased: 1</b></p>
2.			173.00	46.17	8.05	3% of Balance outstanding or DP whichever is higher or amount of prepayment in case of limit closed during the tenure of loan by way of takeover by other financial institutions.	<p>38"X20GX72F High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine with all Standard Accessories Model No HX-22 38" 72f MACHINE NO HX- 1463, 1464, 1465, 1466, 1467 <b>Year of Purchase: 2021</b> <b>No. of Machinery purchased: 5</b></p>



3.			104.00	47.00	8.05	Nil	Mayer and Cie Circular Knitting Machine Model Ovja 2.4e <b>Year of Purchase: 2022</b> <b>No. of Machinery purchased: 1</b>
4.			400.00	280.14	7.75	3% of the amount prepaid, if closed within 36 months after sanctioning, and 2% of the amount prepaid, if closed post 36 months after sanctioning. Amount prepaid = o/s balance + overflow amount (if any), as on the date of pre closure.	High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine. <b>Year of Purchase: 2024</b> <b>No. of Machinery purchased: 3</b>  Mayer & Cie Circular Knitting Machine Model: Vja1.6e Plus Ovja 2.4e (With Standard Accessories) <b>Year of Purchase: 2024</b> <b>No. of Machinery purchased: 2</b>

Note: The details included in the above table have been certified by the Chartered Accountant, M/s Singhal Gupta & Co. LLP pursuant to their certificate dated August 13, 2025 bearing UDIN: 25420018BMHQRJ3944.



#### 4. General Corporate Purposes

The Net Proceeds will first be utilized for each of the other objects as set out in this section. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to (i) such utilization for general corporate purposes not exceeding 15% of the Gross Proceeds or Rs.10 crores, whichever is lower, in compliance with SEBI ICDR Regulations.

We intend to deploy Rs. [●] Lakhs towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

1. Funding strategic initiatives;
2. Funding growth opportunities;
3. Brand building and strengthening of marketing activities and Products of our Company; and
4. 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 in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Red Herring Prospectus, shall not exceed 15% of the Gross Proceeds of the Fresh Issue or Rs. 1,000.00 Lakhs, whichever is lower.

#### MEANS OF FINANCE

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

#### ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, statutory advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakhs. The estimated Issue expenses are as follows:

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of Total Issue Expenses)	Expenses (% of Issue Size)
Fees payable to Book Running Lead Manager	[●]	[●]	[●]
Underwriting Commission	[●]	[●]	[●]
Statutory Expenses	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable to the legal advisor to the Issuer	[●]	[●]	[●]



Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchange and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Market Maker (for First Year)	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs*	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTA or the CDPs and submitted to them	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\*Subject to finalisation of Basis of Allotment.

Any expenses incurred towards aforesaid issue related expenses during the period till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.

Notes:

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for Individual Investors and NIIs, would be as follows:  
Portion for Individual investors 0.01% on the allotment amount (exclusive of GST)  
Portion for NIIs 0.01% on the allotment amount (exclusive of GST)
- Selling commission payable to Registered broker, SCSBs, RTA, CDPs on the portion directly procured from Individual Investors.
- No additional uploading/processing charges shall be payable to the SCSBs on the application directly procured by them.
- SCSBs would be entitled to a processing fee of Rs. 5 (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTA or the CDPs and submitted to SCSBs.

The processing fees for applications made by Individual Investors using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/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 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. in Lakhs)

Particulars	Total Deployment	Amount incurred till August 13, 2025	Balance deployment during FY 2025-26**
Working capital requirements	950.00	-	950.00
To fund the expansion plan of the Company i.e. Capital expenditure towards purchase of Plant and Machinery.	440.00	-	440.00
Partial Pre-payment of term loans to bank	132.00	-	132.00
General Corporate Purposes	[●]	-	[●]



Issue Expenses*	[•]	26.58	-
<b>Total</b>	[•]	<b>26.58</b>	-

*\*As on August 13, 2025, our Company has incurred a sum of Rs. 26.58 lakhs towards issue expenses duly certified by Statutory Auditor M/s Singhal Gupta & Co. LLP., Chartered Accountants vide its certificate dated August 13, 2025, bearing UDIN:25420018BMHQRE9748.*

*\*\*To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Year towards the Object.*

#### **INTERIM USE OF PROCEEDS**

Pending utilization for the purposes described above, we intend to deposit the funds with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for any investment in the equity markets. Our management, in accordance with the applicable laws, will deploy the Net Proceeds. Further, our Board of Directors hereby undertakes that full recovery of the said deposit shall be made without any sort of delays as and when need arises for utilization of proceeds for the objects of the issue.

#### **BRIDGE FINANCING FACILITIES**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities.

#### **MONITORING UTILIZATION OF FUNDS**

Since the proceeds from the Fresh Issue do not exceed Rs. 5000.00 Lakhs, in terms of Regulation 262 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

Our Company has taken the certificate dated July 26, 2025 issued by our Statutory Auditor, M/s Singhal Gupta & Co. LLP, Chartered Accountants, bearing UDIN: 25420018BMHQX3736 for estimated & projected working capital requirements for the Fiscal 2026. Further Company will follow the Regulation 262(5) & Regulation 262 (6) of SEBI (ICDR), 2018 in respect of certification from Statutory Auditor regarding the working capital utilisation and same will be submitted to BSE while filing the quarterly financial results till the proceeds raised for the said object are fully utilized.

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

#### **VARIATION IN OBJECTS**

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



Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

The promoters or shareholders in control of an issuer shall provide an exit offer to dissenting shareholders as provided for in the Companies Act, 2013 in case of change in objects or variation in the terms of contract related to objects referred to in the offer document as per the conditions and in the manner provided in Schedule XX.

#### **APPRAISAL BY APPRAISING AGENCY**

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 available 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.

#### **OTHER CONFIRMATIONS**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's key Managerial personnel and group entities, in relation to the utilization of the Net Proceeds. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies/ entities promoted by the Promoters, except as may be required in the usual course of business.



## BASIS FOR ISSUE PRICE

The Price Band, Floor Price and Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to the chapters titled “*Our Business*”, “*Risk Factors*”, “*Restated Standalone Financial Statements*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 141, 29, 201 and 210, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

- ✓ Geographical presence in 15 States and 1 Union Territory.
- ✓ Ability to provide products as per the customer satisfaction.
- ✓ Ability to scout for new opportunities and capitalising the same.
- ✓ Consistent track record of growth and financial performance.
- ✓ Ability to serve large and reputed customers

For more details on qualitative factors, refer to the chapter titled “Our Business” beginning on page 141.

### Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Standalone Financial Statements. For more details on financial information; investors please refer to the chapter titled “*Financial Information*” beginning on page 201.

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

#### 1) Basic and Diluted Earnings / Loss per Share (“EPS”) as adjusted for changes in capital:

For the Fiscal	Basic & Diluted	
	EPS (in Rs.)	Weights
2025	13.03	3
2024	6.07	2
2023	0.97	1
<b>Weighted Average</b>	<b>8.70</b>	

#### Notes:

- a) The face value of each Equity Share is Rs. 10 each.
- b) Basic Earnings per share = Restated total comprehensive income / Weighted average number of equity shares outstanding during the financial year.
- c) Diluted Earnings per share = Restated total comprehensive income / Weighted average number of potential equity shares outstanding during the financial year.
- d) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights.
- e) The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Standalone Financial Statement of the section titled as “Financial Information” beginning on page 201.



2) **Price/Earning (“P/E”) ratio in relation to price band of Rs. [●] to Rs. [●] per Equity Share:**

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic and diluted EPS for Fiscal 2025	[●]	[●]
Based on Weighted Average EPS	[●]	[●]

3) **Industry Peer Group P/E ratio**

There are no listed companies in India that are engaged in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

4) **Return on Net worth (RoNW)**

For the Fiscals	RoNW (%)	Weight
2025	37.06	3
2024	37.16	2
2023	9.41	1
<b>Weighted Average</b>	<b>32.49</b>	

**Notes:**

- Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e.  $[(\text{Net Worth} \times \text{Weight}) \text{ for each year}] / [\text{Total of weights}]$ .
- Return on Net Worth (%) = Net Profit for the financial year as restated / Net worth as restated as at financial year end.
- “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 profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at March 31, 2025, March 31, 2024 and March 31, 2023 .

5) **Net Asset Value (NAV) (Face value of Rs. 10/-)**

Financial Year	NAV (Rs.)
Net Asset Value per Equity Share as of March 31, 2025	35.17
Net Asset Value per Equity Share as of March 31, 2024	16.34
Net Asset Value per Equity Share as of March 31, 2023	10.27
After Issue	[●]
Issue Price	[●]

**Notes:**

- Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Net worth as restated / Weighted Average number of Equity Shares outstanding as at financial year end, adjusted for Bonus Shares.

6) **Comparison with Industry Peers**

As on the date of this Red Herring Prospectus, there are no listed peers comparable to our Company.

*For further information on our business, kindly refer to the chapter titled “Our Business” beginning on page 141.*



## 7) Key Operational and Financial Performance Indicators:

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

### Operational KPIs of our Company: Rachit Prints Limited

Sr. No.	Particulars	For the Financial Year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
1.	Rejection / Goods Return (%)	0.28	0.77	0.50
2.	Loyal Customers base in Top 10 customers (relationship more than 10 years)	7.00	7.00	7.00

### Financial KPIs of our Company: Rachit Prints Limited

(Rs. in Lakhs)

Key Financial Performance	For the Financial year ended March 31		
	2025	2024	2023
Revenue from operations <sup>(1)</sup>	4,170.32	3,708.26	3,232.21
Total Income <sup>(2)</sup>	4,178.43	3,711.11	3,238.75
EBITDA <sup>(3)</sup>	722.78	427.17	200.84
EBITDA Margin <sup>(4)</sup>	17.33%	11.52%	6.21%
PAT	456.18	202.99	32.30
PAT Margin <sup>(5)</sup>	10.94	5.47%	1.00%
Operating cash flow	46.03	918.71	(136.97)
Net worth <sup>(6)</sup>	1,230.91	546.25	343.26
Net Debt <sup>(7)</sup>	881.39	634.20	1,458.58
Debt Equity Ratio <sup>(8)</sup>	0.75	1.17	4.31
ROCE (%) <sup>(9)</sup>	29.61%	27.98%	6.41%
ROE (%) <sup>(10)</sup>	51.34%	45.64%	9.87%

\* The above KPIs have been approved by the Audit Committee in its meeting dated July 26, 2025 and the same has been approved by the Board of Director in its meeting dated July 26, 2025. Also, above KPIs have been certified by the Statutory Auditors of the Company, M/s Singhal Gupta & Co. LLP, Chartered Accountants, vide its certificate dated July 26, 2025, bearing UDIN: 25420018BMHQON4302.

#### Notes:

- <sup>1)</sup> Revenue from operation means revenue from sales and other operating revenues.
- <sup>2)</sup> Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.
- <sup>3)</sup> EBITDA means Profit before depreciation, finance cost, tax and amortization less other income.
- <sup>4)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- <sup>5)</sup> 'PAT Margin' is calculated as PAT for the financial year divided by revenue from operations.
- <sup>6)</sup> 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 profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.
- <sup>7)</sup> Net debt = Long-Term borrowing + Short-Term borrowing – Cash and Cash Equivalent.
- <sup>8)</sup> Debt equity ratio means ratio of total debt (long term borrowing plus short-term borrowing including current



maturity of long-term debt) and Equity Share capital plus other equity.

<sup>9)</sup> Return on Capital Employed is ratio of EBIT (excluding other income) and Capital Employed. Capital Employed is Total Shareholder's Equity, Long-Term Borrowing and Short-Term Borrowing.

<sup>10)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.

#### Explanation for KPI metrics

KPI	Explanations
<b>Revenue from Operations</b>	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
<b>Total income</b>	Total income is used by the management to track revenue from operations and other income.
<b>EBITDA</b>	EBITDA provides information regarding the operational efficiency of the business.
<b>EBITDA Margin (%)</b>	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
<b>PAT</b>	Profit after tax provides information regarding the overall profitability of the business.
<b>PAT Margin (%)</b>	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
<b>Operating Cash Flows</b>	Operating cash flows activities provides how efficiently our company generates cash through its core business activities.
<b>Net Worth</b>	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.
<b>Net Debt</b>	Net debt helps the management to determine whether a company is over leveraged or has too much debt given its liquid assets
<b>Debt-equity ratio (times)</b>	The debt-to-equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.
<b>ROE (%)</b>	ROE provides how efficiently our Company generates profits from shareholders' funds.
<b>ROCE (%)</b>	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

#### 8) Weighted average cost of acquisition

##### a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

Except as stated below, our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus.

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares Allotted	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital
July 03, 2024	Bonus Issue	14,32,500	Other than cash	10	-	39.48
September 12, 2024	Preferential Issue	2,85,600	Cash	10	80	7.87

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

Except as stated below, there have been no secondary sale / acquisitions of Equity Shares or any convertible



securities, during the 18 months preceding the date of this Red Herring Prospectus.

Date of Transfer	Reason/Nature of Transfer	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital
May 18, 2024	Transfer of equity shares from Anupam Kansal HUF to Amit Jaitly.	250	Cash	10	10	0.01
	Transfer of equity shares from Anupam Kansal HUF to Karan Kansal.	1,500	Cash	10	10	0.04
	Transfer of equity shares from Anupam Kansal HUF to Amit Jaitly.	250	Cash	10	10	0.01
	Transfer of equity shares from Anupam Kansal HUF to Karan Kansal.	1,500	Cash	10	10	0.04
	Transfer of equity shares from Anupam Kansal HUF to Rachit Gupta.	500	Cash	10	10	0.01
	Transfer of equity shares from Anupam Kansal HUF to Rose Kansal.	1,500	Cash	10	10	0.04
	Transfer of equity shares from Anupam Kansal HUF to Shivani Jaitly.	250	Cash	10	10	0.01
June 19, 2025	Transfer of equity shares from Divine Comex Enterprises Private Limited to Deepika Tandon	49,600	Cash	10	95.00	1.37

**c) Price Per Share based on last five primary or secondary transactions:**

Information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter group/ Group entities 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 Red Herring Prospectus irrespective of the size of transactions, is as below.

**Primary transactions:** Except as stated below, there have been no primary transactions in the last three years preceding the date of this Red Herring Prospectus.

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares Allotted	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital
July 03, 2024	Bonus Issue	14,32,500	Other than cash	10	-	39.48
September 12, 2024	Preferential Issue	2,85,600	Cash	10	80.00	7.87



**Secondary Transactions:** Except as stated below, there have been no secondary transactions in the last three years preceding the date of this Red Herring Prospectus.

Date of Transfer	Reason/Nature of Transfer	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital
May 18, 2024	Transfer of equity shares from Anupam Kansal HUF to Amit Jaitly.	250	Cash	10	10	0.01
	Transfer of equity shares from Anupam Kansal HUF to Karan Kansal.	1,500	Cash	10	10	0.04
	Transfer of equity shares from Anupam Kansal HUF to Rachit Gupta.	500	Cash	10	10	0.01
	Transfer of equity shares from Anupam Kansal HUF to Rose Kansal.	1,500	Cash	10	10	0.04
	Transfer of equity shares from Anupam Kansal HUF to Shivani Jaitly.	250	Cash	10	10	0.01
June 19, 2025	Transfer of equity shares from Divine Comex Enterprises Private Limited to Deepika Tandon.	49,600	Cash	10	95.00	1.37

**Note:** Equity Shares of face value of Rs. 100 each sub-divided into Equity Shares of face value of Rs. 10 each, pursuant to Shareholders Resolution dated May 21, 2024 and the transfer of above-mentioned Equity Shares from Anupam Kansal HUF to Amit Jaitly, Karan Kansal, Rachit Gupta, Rose Kansal and Shivani Jaitly was executed on May 18, 2024. Hence, the transfer of above-mentioned Equity Shares has been shown considering the sub-division of Equity Shares.

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

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Share)	Floor price* (i.e. Rs. [●])	Cap price* (i.e. Rs. [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	80.00*	[●]	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	86.17	[●]	[●]
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	81.37*	[●]	[●]

\*While calculation Weighted average cost of acquisition of primary issuances / secondary transactions, the effect of bonus shares is not taken.



- e) Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) along with our Company's key performance indicators and financial ratios for the Fiscal 2025, 2024 and 2023.

[●]\*

*\* To be included upon finalisation of the Price Band and updated in the Prospectus*

- f) Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) in view of the external factors which may have influenced the pricing of the Issue.

[●]\*

*\* To be included upon finalisation of the Price Band and updated in the Prospectus*

The Issue Price will be [●] times of the face value of the Equity Shares. The Issue Price of Rs. [●] has been determined by our Company in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled “*Risk Factors*” beginning on page 29 or any other factors that may arise in the future and you may lose all or part of your investments.



## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
**The Board of Directors**  
**Rachit Prints Limited**  
B-9, 10 & 11, Udyog Puram  
Delhi Road, Partapur, Meerut,  
Uttar Pradesh – 250103, India.

Dear Sir,

**Subject - Statement of Possible Tax Benefits (“the statement”) available to Rachit Prints Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018**

**Reference - Initial Public Offer of Equity Shares by Rachit Prints Limited.**

We hereby confirm that the enclosed Annexure, prepared by **Rachit Prints Limited** (“the Company”), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2025, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2025, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, presently in force in India (together, the “Tax Laws”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares (“the Issue”) by the Company.

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

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

The contents of the enclosed statement 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.

### **Limitations:**

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. 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 events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Offer by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

**For M/s Singhal Gupta & Co. LLP**  
**Chartered Accountants**

**Sd/-**

**CA Chetan Singhal**

**Partner**

**Membership Number: 420018**

**ICAI Firm Registration Number: 004933C/C400028**

**UDIN: 25420018BMHQO8435**

**Peer Review Number: 015053**

**Place: Meerut, Uttar Pradesh**

**Date: July 26, 2025**



## ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

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

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

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

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

#### **B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:**

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

#### **Note:**

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. 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.

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 Red Herring Prospectus/Prospectus.

**For M/s Singhal Gupta & Co. LLP**  
**Chartered Accountants**

**Sd/-**

**CA Chetan Singhal**

**Partner**

**Membership Number: 420018**

**ICAI Firm Registration Number: 004933C/C400028**

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## SECTION VI – ABOUT THE COMPANY

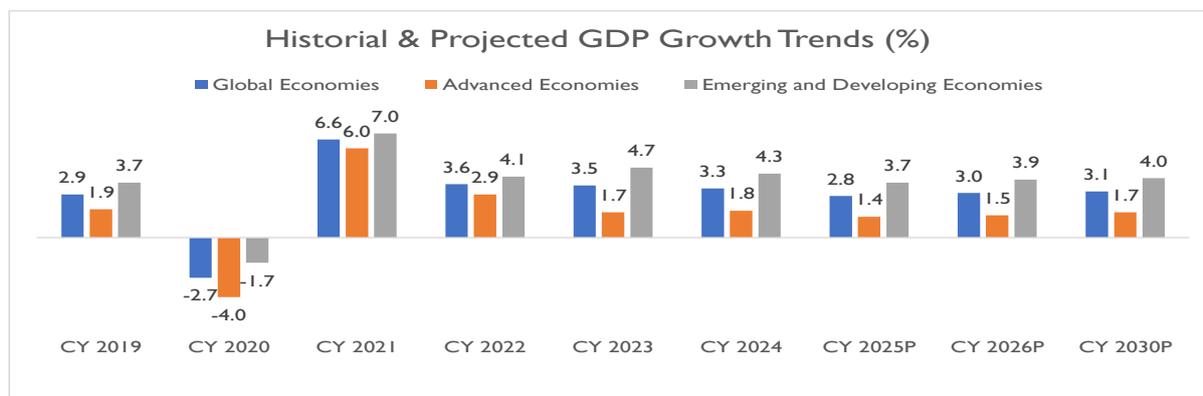
### OUR INDUSTRY

The information contained in this section is prepared by Dun & Bradstreet which was appointed by our Company vide engagement letter dated October 15, 2024 has been exclusively commissioned and paid for by our Company in connection with the Issue. Dun & Bradstreet is an independent agency and has no relationship with our Company, its Group Entities, Promoters, Directors, or the Book Running Lead Manager as on the date of this Red Herring Prospectus. For risks in relation to commissioned reports, please refer to the chapter titled “Risk Factors” beginning on page 29.

#### Global Macroeconomic Scenario

##### Global Economic Overview

The global economy, which recorded GDP growth at 3.3% in CY 2024, is expected to show resilience at 2.8% in CY 2025. This marks the slowest expansion since 2020 and reflects a -0.5%point downgrade from January 2025 forecast. Moreover, the projection for CY 2026 has also reduced to 3.0%. This slowdown is majorly attributed due to numerous factors such as high inflation in many economies despite central bank effort to curb inflation, continuing energy market volatility driven by geopolitical tensions particularly in Ukraine and Middle East, and the re-election of Donald Trump as US President extended uncertainty around the trade policies as well as overall global economic growth. High inflation and rising borrowing costs affected the private consumption on one hand while fiscal consolidation impacted the government consumption on the other hand. As a result, global GDP growth is estimated to moderate by 2.8% in CY 2025 as compared to 3.3% in CY 2024.

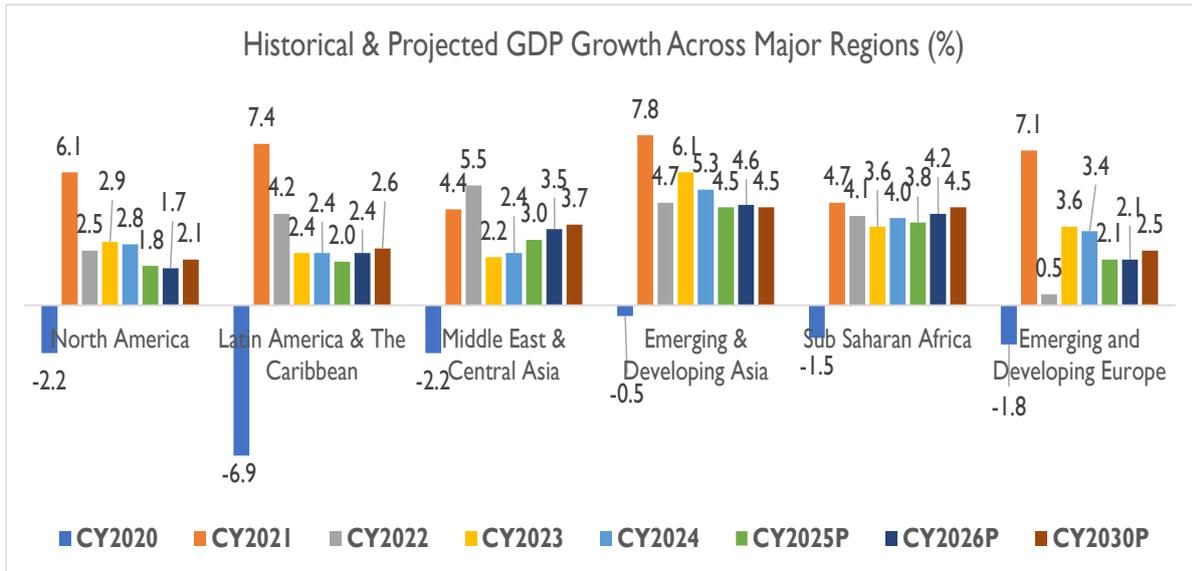


Source – IMF Global GDP Forecast Release April 2025

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

#### Historical and Projected GDP Growth

GDP growth across major regions exhibited a mixed trend between 2022-23, with GDP growth in many regions including North America, Emerging and Developing Asia, and Emerging and Developing Europe slowing further in 2024. In 2025, GDP growth rate in Emerging and Developing Asia (India, China, Indonesia, Malaysia, etc.) is expected to moderate further to 4.5% from 5.3% in the previous year, while in the North America, it is expected to moderate to 1.8% in CY 2025 from 2.8% in CY 2024.



Source-IMF World Economic Outlook April 2025 update.

Except Middle East & Central Asia, all other regions like Emerging and Developing Asia, Emerging and Developing Europe, Latin America & The Caribbean, Sub Saharan Africa and North America, are expected to record a moderation in GDP growth rate in CY 2025 as compared to CY 2024. Further, growth in the United States is expected to come down at 2.71% in CY 2025 from 2.80% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

### Global Economic Outlook

The global economy is navigating a period of exceptional uncertainty. Policy shifts, particularly those reshaping trade, have alarmed financial markets and bruised business sentiment. The U.S.’s reciprocal tariffs, which represent additional costs for businesses from almost all countries with which the U.S. trades, charge trade partners an import duty at a discounted rate of approximately half the rate that the trade partner currently imposes on the U.S. According to U.S. President Donald Trump, reciprocal tariffs, ranging from 10% to 50%, are meant to address trade barriers limiting U.S. exports. The *effective* tariff rate includes other tariffs imposed at an earlier date and cumulatively may now be higher than duties charged on U.S. imports. It is unclear whether the reciprocal tariffs represent a negotiating tool, and may therefore be temporary, or form part of broader long-term protectionist measures and industrial strategy.

Responses to reciprocal tariffs have been varied, with some economies promising swift countermeasures. More than 50 markets have sought negotiations with the US. While Malaysia is seeking a united response across ASEAN, the Chinese Mainland has retaliated with duties on all imports from the U.S., declaring it will “fight to the end”. In early April 2025, the U.S. confirmed the most aggressive steps yet, with a cumulative 145% tariff on some products imported from the Chinese Mainland. Brazil has readied itself by passing a bill allowing for retaliation, Australia has ruled out retaliatory levies, and the EU remains open to negotiation while preparing a package of countermeasures.

Tariffs and their unpredictable application have weighed on consumer and business sentiment, sunk global stock markets, raised recession risks, and made a global slowdown more likely. Our latest [Global Business Optimism Insights report](#) indicates a further decline in business optimism as firms continue to grapple with trade-related policy uncertainty and its broader economic implications. Export-driven sectors reported sharp declines in optimism. Financial risk perceptions remain elevated as businesses contend with high borrowing costs and persistent inflation expectations. More broadly, the uncertainty is reflected in delayed capital expenditure and a pullback in hiring.

Tariffs have begun to exert pressure on central banks by contributing to inflationary pressures and increasing financial market volatility. Central banks are adjusting forward guidance and policy frameworks and may begin to consider the likelihood of softer growth being a bigger priority than high inflation by starting to cut interest



rates to support economies. For businesses, this uncertainty translates into unpredictable cost structures, fluctuating credit availability, and the management of operational costs through diversified supply networks.

The latest Dun & Bradstreet Global Business Optimism Insights report reveals a further decline in business optimism, though at a more moderate pace than in the prior quarter, as businesses continued to grapple with trade-related policy uncertainty and its broader economic implications. Export-driven sectors such as automotives, electricals, and metals saw sharp declines in optimism, particularly in the U.S., Mexico, South Korea, and Japan, where rising tariffs and shifting trade policies have fueled cost pressures and demand volatility. Financial risk perceptions remain elevated.

### Global Growth Projection

At broader level, the global economy is expected to experience a slowdown in 2025, with GDP growth projected to decline to 2.8%, down from 3.3% in 2024. This deceleration reflects persistent inflationary pressure, geopolitical uncertainties and tightened monetary policies. However, a slight recovery is anticipated in 2026, with growth projected to improve to 3.0%. Global inflation is expected to decline steadily, to 4.3% in 2025 and to 3.6% in 2026. Inflation is projected to converge back to the target earlier in advanced economies, reaching 2.2% in 2026, whereas in emerging market and developing economies, it is anticipated to decrease to 4.6% during the same period. Trade tariffs function as a supply shock for the countries imposing them, leading to a decrease in productivity and an increase in unit costs. Countries subject to tariffs experience a negative demand shock as export demand declines, placing downward pressure on prices. In each scenario, trade uncertainty introduces an additional layer of demand shock since businesses and households react by delaying investment and spending, and this impact could be intensified by stricter financial conditions and heightened exchange rate volatility. Moreover, Global trade growth is expected to slow down in 2025 to 1.7%. This forecast reflects increased tariff restrictions affecting trade flows and, to a lesser extent, the waning effects of cyclical factors that have underpinned the recent rise in goods trade. Geopolitical tensions as seen in the past such as the wars in Ukraine and the Middle East could exacerbate inflation volatility, particularly in energy and agricultural commodities.

### India Macroeconomic Analysis

India emerged as one of the fastest growth economies amongst the leading advanced economies and emerging economies. In CY 2024, even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world and is expected to grow by 6.2% in CY 2025 and 6.3% in CY 2026.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2030 P
India	-5.8%	9.7%	7.6%	9.2%	6.5%	6.2%	6.3%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	4.0%	4.0%	3.4%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	1.8%	1.7%	2.1%
Japan	-4.2%	2.7%	0.9%	1.5%	0.1%	0.6%	0.6%	0.5%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.1%	1.4%	1.4%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.1%	1.5%	0.9%	1.2%

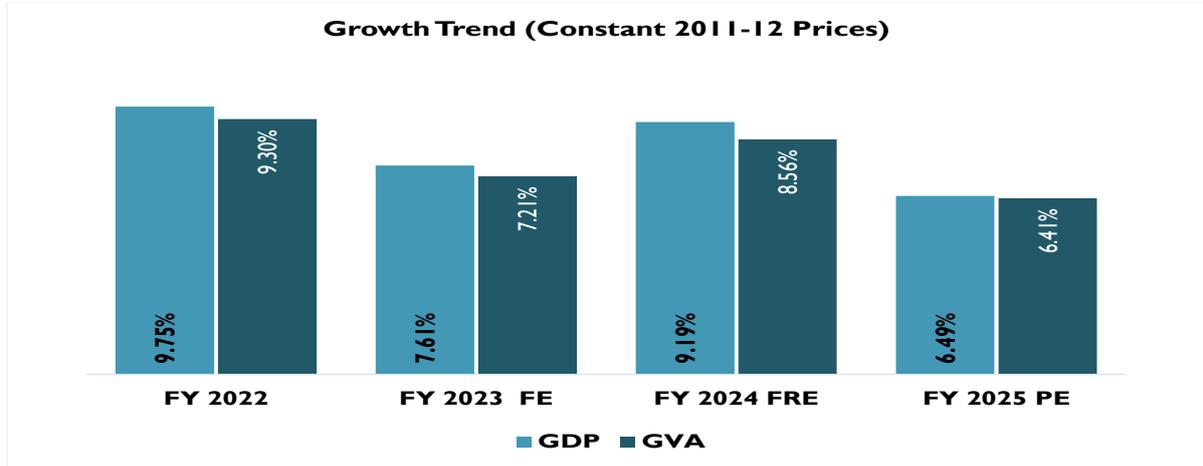
Source: World Economic Outlook, April 2025

The Government stepped spending on infrastructure projects to boost the economic growth had a positive impact on economic growth. The capital expenditure of the central government increased by average 26.52% during FY 2023-24 which slowed to 7.27% in FY 2025 which is expected to translate in moderating GDP growth of 6.5% in 2024. In the Union Budget 2025-2026, the government announced INR 11.21 trillion capex on infrastructure (10.12% higher than previous year revised estimates) coupled with INR 1.5 trillion in interest-free loans to states. This has provided much-needed confidence to the private sector, and in turn, expected to attract the private investment.



## Historical GDP and GVA Growth trend

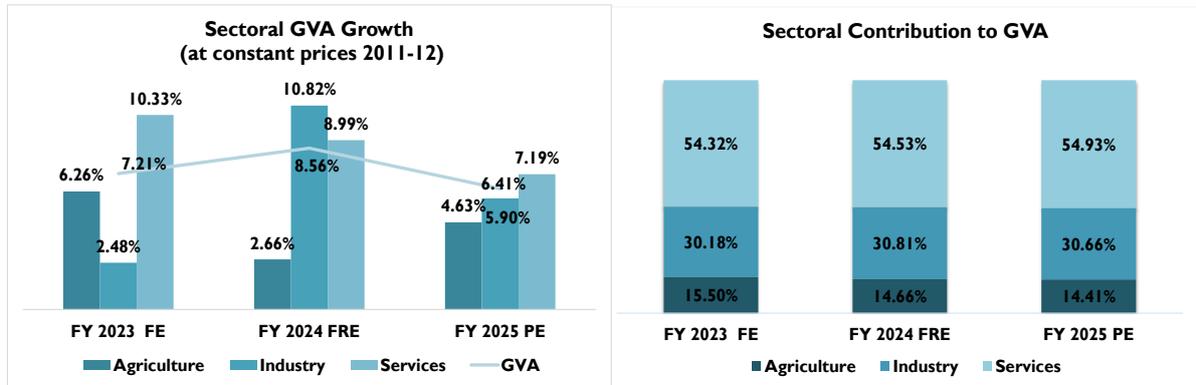
As per the latest estimates, India's GDP at constant prices is estimated to grow to INR 187.96 trillion in FY 2025 (Provisional Estimates) with the real GDP growth rates estimated to be 6.49% for FY 2025. Similarly, real Gross Value Added (GVA) growth stood is estimated to have moderated to 6.41% in FY 2025. Even amidst global economic uncertainties, India's economy exhibited resilience supported by robust consumption and government spending.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025.

FE is Final Estimates, FRE is First Revised Estimate and PE is Provisional Estimates

## Sectoral Contribution to GVA and annual growth trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

### FE is Final Estimates, FRE is First Revised Estimate and PE is Provisional Estimates

Sectoral analysis of GVA reveals that the industrial sector experienced a moderation in FY 2025, recording a 5.90% y-o-y growth against 10.82% year-on-year growth in FY 2024. Within the industrial sector, growth moderated across sub sector with mining, manufacturing, and construction activities growing by 2.69%, 4.52%, and 9.35% respectively in FY 2025, compared to 3.21%, 12.30%, and 10.41% in FY 2024. Growth in the utilities sector too moderated to 6.03% in FY 2025 from 8.64% in the previous year. The industrial sector's contribution to GVA moderated marginally from 30.81% in FY 2024 to 30.66% in FY 2025.

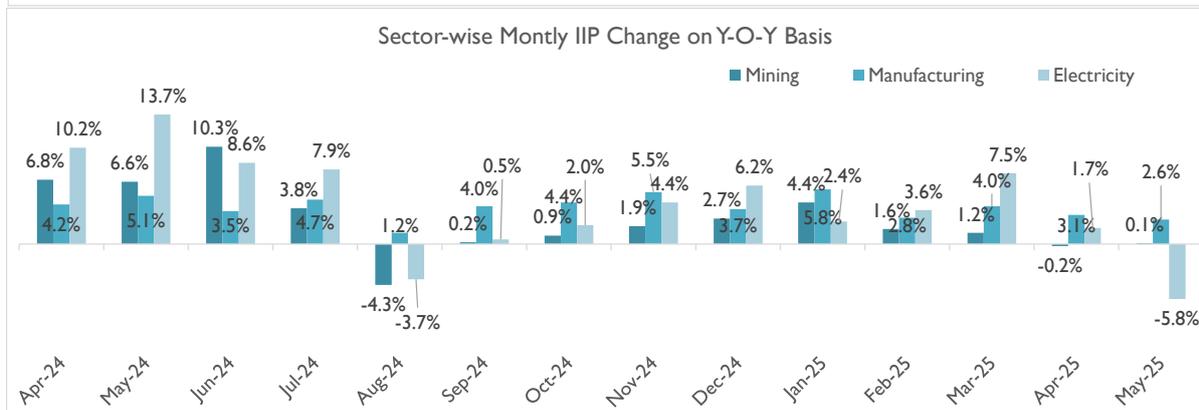
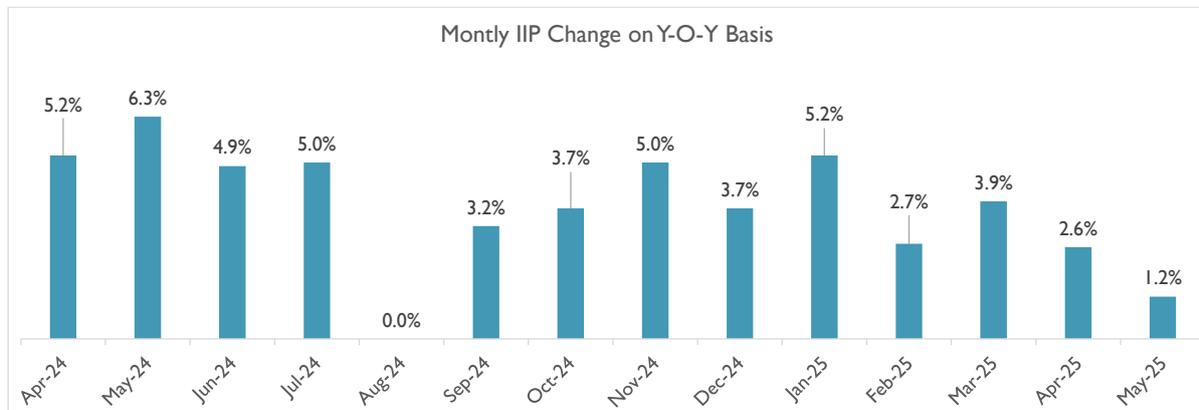
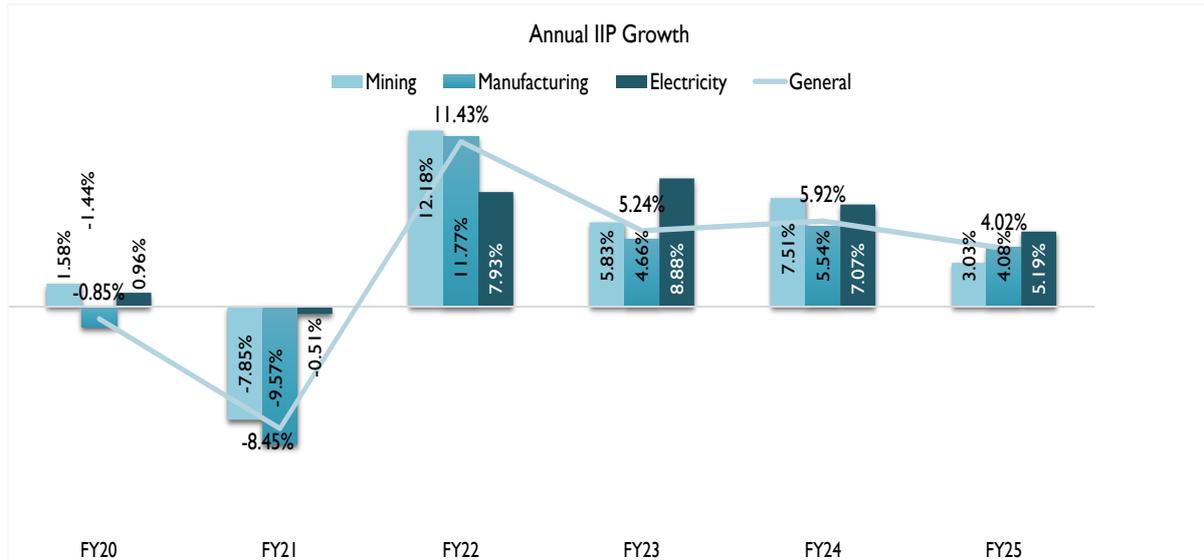
The services sector continued to be the main driver of economic growth, although its pace moderated. It expanded by 7.19% in FY 2025 from 8.99% in FY 2024. The services sector retained its position as the largest contributor to GVA, rising from 54.32% in FY 2023 to 54.53% in FY 2024, with a further increase to 54.93% in FY 2025.



The agriculture sector saw an acceleration, with growth increasing from 2.66% in FY 2024 to 4.63% in FY 2025. However, its contribution to GVA declined marginally from 14.66% in FY 2024 to 14.41% in FY 2025. Overall, Gross Value Added (GVA) growth moderated to 6.41% in FY 2025 from 8.56% in FY 2024

### Annual & Monthly IIP Growth

Industrial sector performance as measured by IIP index exhibited moderation in FY 2025, recording a 4.02% y-o-y growth against 5.92% increase in the previous year. The manufacturing index showed moderation and grew by 4.08% in FY 2025 against 5.54% in FY 2024. Mining sector index too moderated and exhibited a growth of 3.03% in FY 2025 against 7.51% in the previous years while the Electricity sector Index, also witnessed moderation of 5.19% in FY 2024 against 7.07% in the previous year.



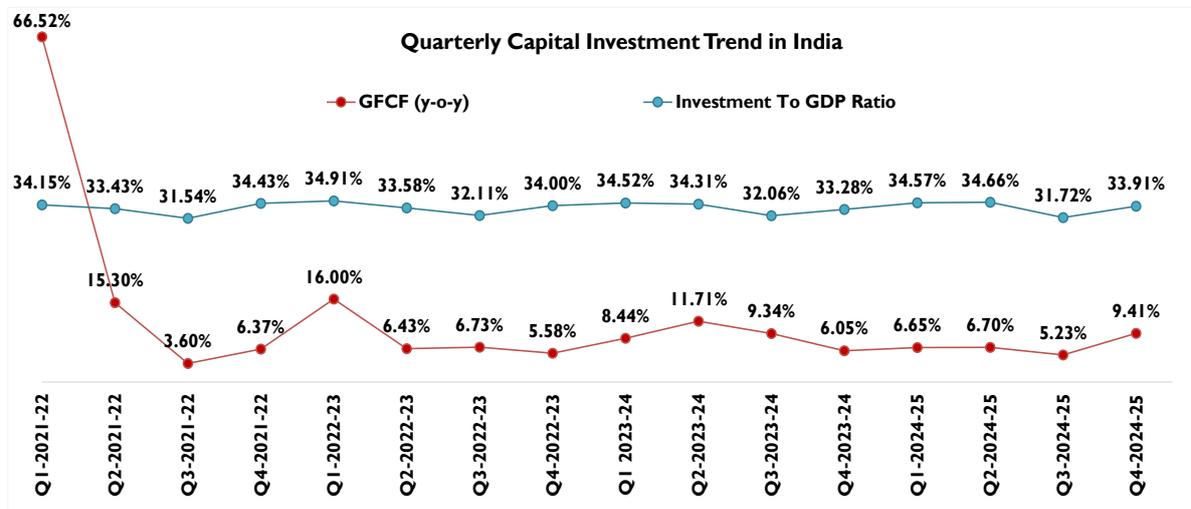
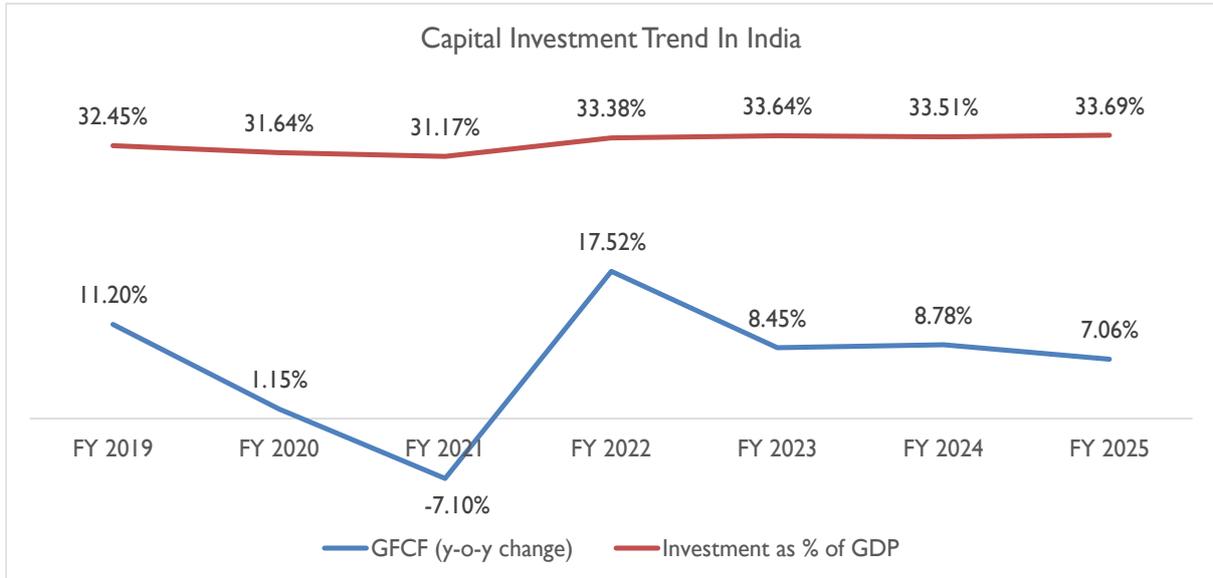
Source: Ministry of Statistics & Programme Implementation (MOSPI)



The IIP growth rate for the month of May 2025 is 1.2% which was 2.6% in the month of April 2025. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of May 2025 are (-)0.1%, 2.6% and (-)5.8% respectively.

### Annual and Quarterly: Investment & Consumption Scenario

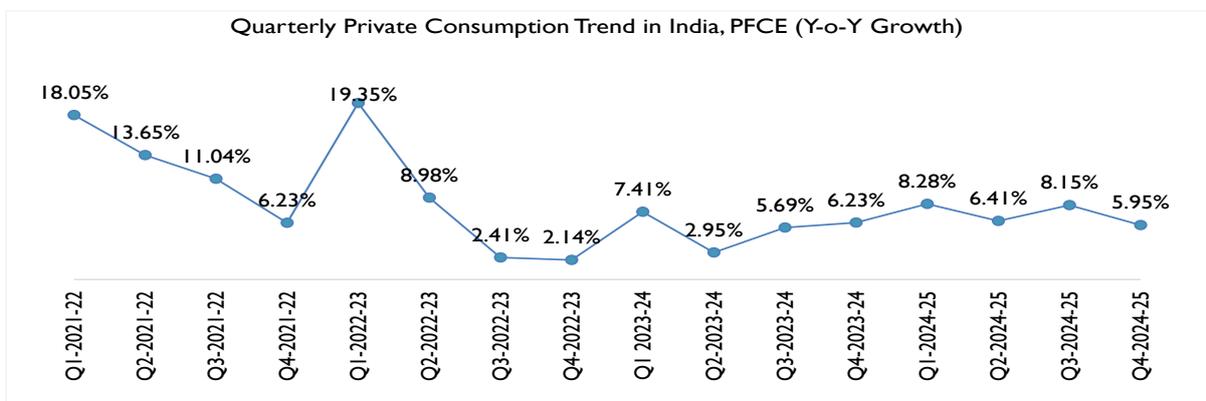
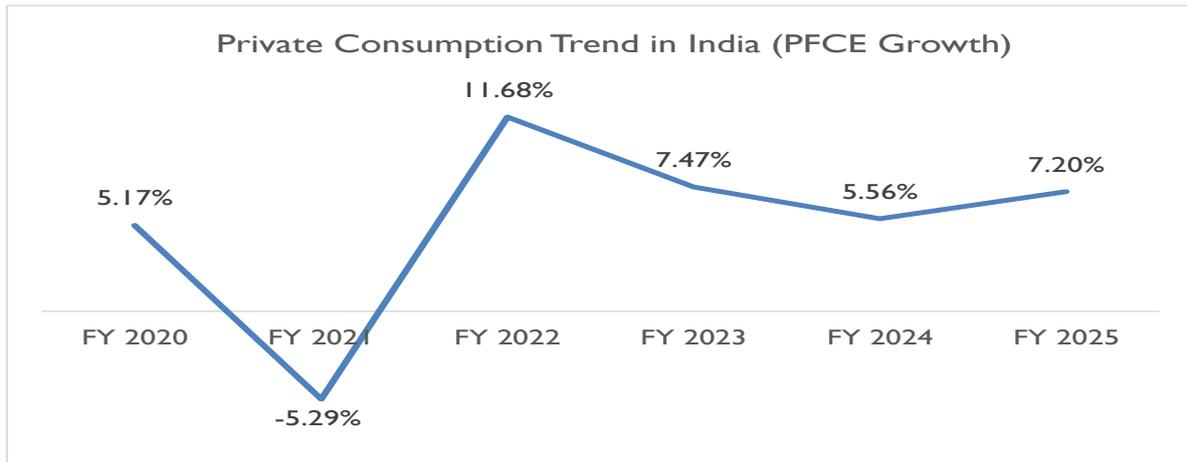
Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, has shown fluctuation during FY 2025 as it registered 7.06% year-on-year growth against 8.78% yearly growth in FY 2024, taking the GFCF to GDP ratio measured to 33.69%.



Source: Ministry of Statistics & Programme Implementation (MOSPI)

On quarterly basis, GFCF exhibited a fluctuating trend in quarterly growth over the previous year same quarter. In FY 2024, the growth rate moderated to 6.05% in March quarter against the previous two quarter as government went slow on capital spending amidst the 2024 general election while it observed an improvement in Q1 FY 2025 by growing at 6.65% against 6.05% in the previous quarter and moderated in the subsequent two quarter. On yearly basis, the growth rate remained lower compared to the same quarter in the previous year during FY 2025. The GFCF to GDP ratio measured 33.91% in Q4 FY 2025.

## Private Consumption Scenario



Sources: MOSPI

Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed growth in FY 2025 as compared to FY 2024. However, quarterly data indicated some improvement in the current fiscal as the growth rate improved over the corresponding period in the last fiscal.

## Inflation Scenario

The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from January 2024 to May 2025. The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 0.39% (provisional) for the month of May 2025 (over May 2024). Positive rate of inflation in May 2025 is primarily due to increase in prices of manufacture of food products, electricity, other manufacturing, chemicals and chemical products, manufacture of other transport equipment and non-food articles etc.

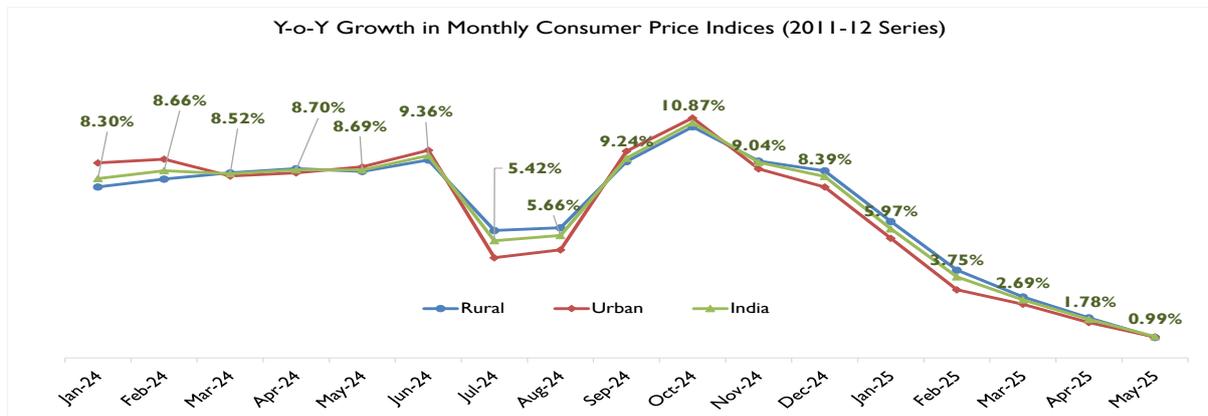
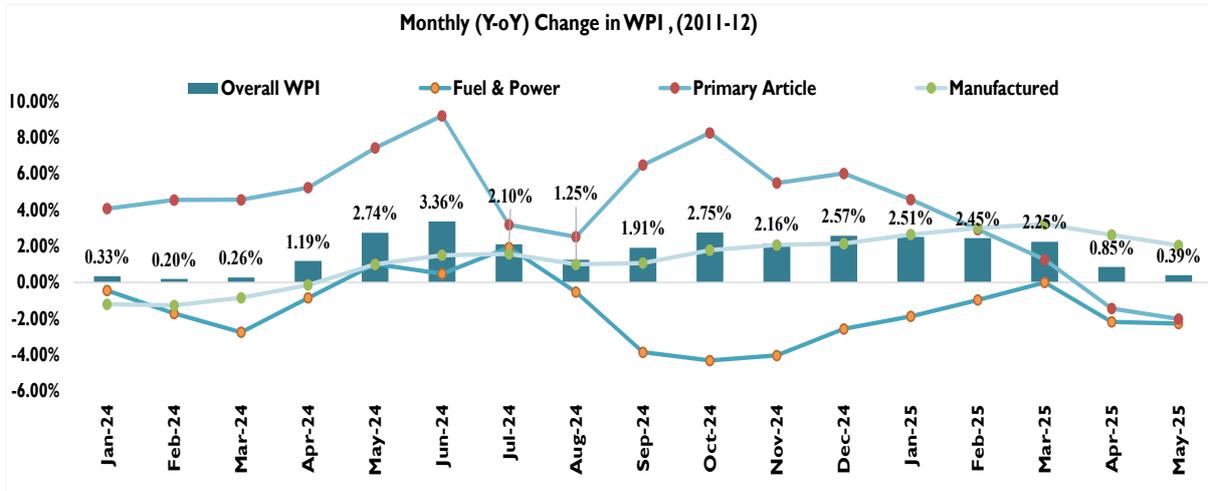
By May 2025, Primary Articles (Weight 22.62%), The index for this major group decreased by 0.05 % to 184.3 (provisional) in May 2025 from 184.4 (provisional) for the month of April 2025. Price of minerals (-7.16%) and non-food articles (-0.63%) decreased in May 2025 as compared to April 2025. The price of food articles (0.56%) increased in May 2025 as compared to April 2025.

Moreover, power & fuel, the index for this major group declined by 0.95% to 146.7 (provisional) in May 2025 from 148.1 (provisional) for the month of April 2025. Price of mineral oils (-2.06%) decreased in May 2025 as compared to April 2025. The price of coal (0.81%) and electricity (0.80%) increased in May 2025 as compared to April 2025.

Furthermore, Manufactured Products (Weight 64.23%), The index for this major group remained unchanged at 144.9 (Provisional) in May 2025. Out of the 22 NIC two-digit groups for manufactured products, 10 groups witnessed an increase in prices, 9 groups witnessed a decrease in prices and 3 groups witnessed no change in prices. Some of the important groups that showed month-over-month increase in prices were other manufacturing;

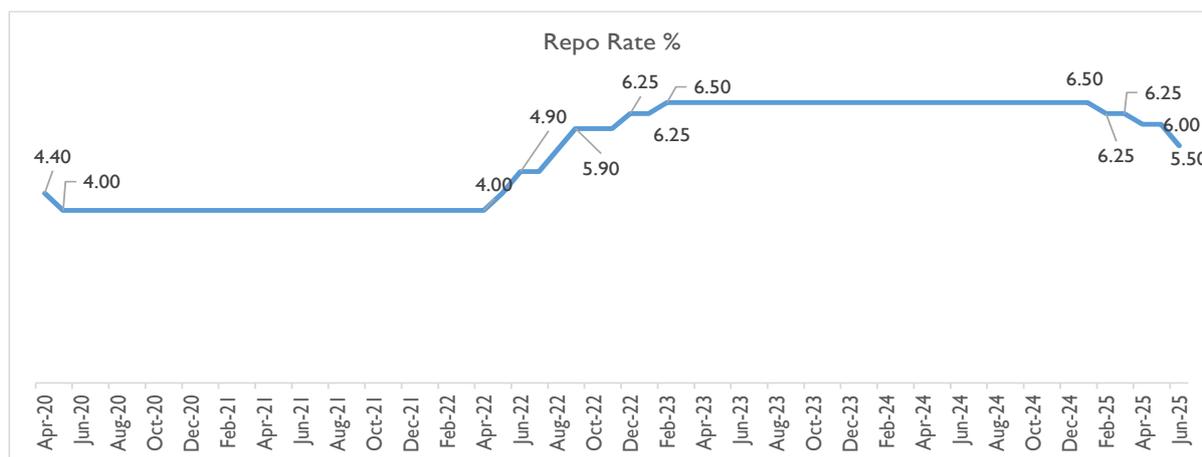


manufacture of other non-metallic mineral products; computer, electronic and optical products; pharmaceuticals, medicinal chemical and botanical products and textiles etc. Some of the groups that witnessed a decrease in prices were manufacture of food products, basic metals; rubber and plastics products, chemical and chemical products and electrical equipment etc. in May 2025 as compared to April 2025.



Source: MOSPI, Office of Economic Advisor

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between January 2024 and May 2025. Overall, the national CPI inflation rate moderated to 0.99% by May 2025, indicating a gradual easing of inflationary pressures across both rural and urban areas. Rural CPI inflation peaked at 10.69% in October 2024, declining to 0.95% in May 2025. Urban CPI inflation followed a similar trend, rising to 11.09% in October 2024 and then dropping to 0.96% in May 2025. CPI measured above 6.00% tolerance limit of the central bank since July 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 and 8 Feb 2023 while it held the rate steady at 6.50% till January 2025. On 6<sup>th</sup> June 2025, RBI reduced the repo rate by 50 basis points which currently stands at 5.50%.



Sources: CMIE Economic Outlook

## Growth Outlook

The Union Budget 2025-26 has laid the foundation for sustained growth by balancing demand stimulation, investment promotion and inclusive development. Inflation level is reaching within the central bank's target; the RBI may pursue further monetary easing that will support growth. The medium-term outlook is bright, fueled by the emphasis on physical and digital infrastructure spending. With a focus on stimulating demand, driving investment and ensuring inclusive development, the budget introduces measures such as tax relief, increased infrastructure spending and incentives for manufacturing and clean energy. These initiatives aim to accelerate growth while maintaining fiscal discipline, reinforcing India's long-term economic resilience. The expansion of tax relief i.e zero tax liability for individuals earning up to INR 12 lacs annually under the new tax regime is expected to strengthen household finances and, consequently, boost consumption.

The external sector remains resilient, and key external vulnerability indicators continue to improve. However, tariff-related uncertainty is likely to weigh on exports and investment, prompting us to cut our FY26 GDP growth forecast to 6.3%.

## Textile Industry in India

India is currently one of the largest manufacturers of readymade garments and amongst the largest exporters as well. Domestic market for readymade garments too has grown at a fast pace helping India emerge as one of the fastest growing and lucrative readymade garment markets in the world. Apparel manufacturing alone provides employment to a population of 12.3 Mn.

Domestic demand in the last years witnessed a slowed down as consumers paired down their discretionary spending on the wake of economic uncertainty. Exports too suffered the same fate as recessionary scenario in key export markets – US and EU – dampened demand for readymade garments in those markets.

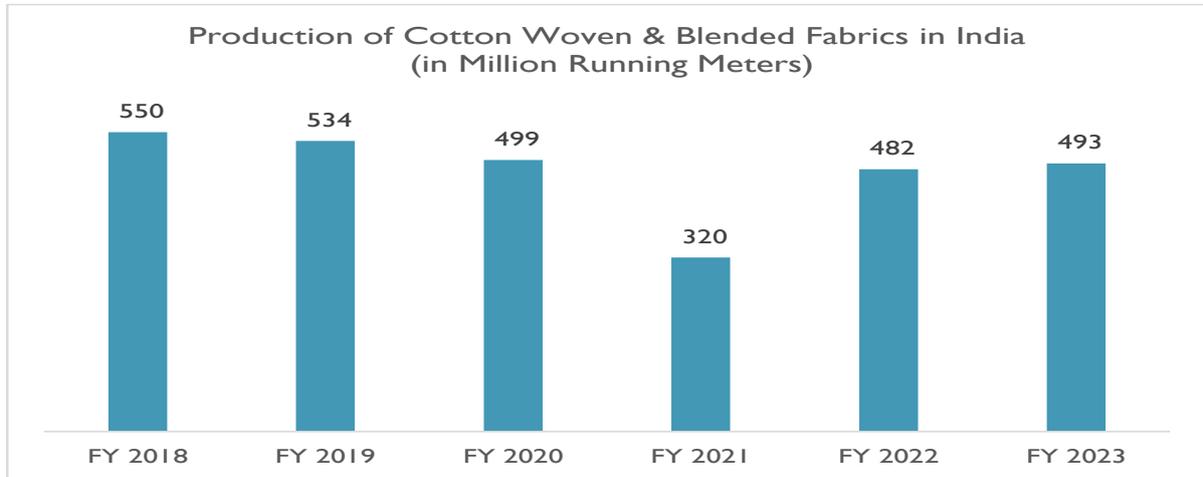
Domestically, due to the current market slowdown, clothing manufacturers are projected to experience a decline of 25-30 percent in order bookings for the upcoming festive season. This decrease in demand can be attributed to inflation and the fluctuating costs of inputs such as cotton, polyester yarn, and man-made fibers, which have led to higher prices for customers. As a result, there is a slowdown in demand for clothing products.

However, according to Confederation of Indian Industry (CII), the Indian textile and apparel industry is expected to grow at a 10% CAGR from 2019-20 to reach USD 190 billion by 2025-26. Whereas, domestic apparel market in India stood at USD 40 billion in 2020 and is expected to reach USD 135 billion by 2025.

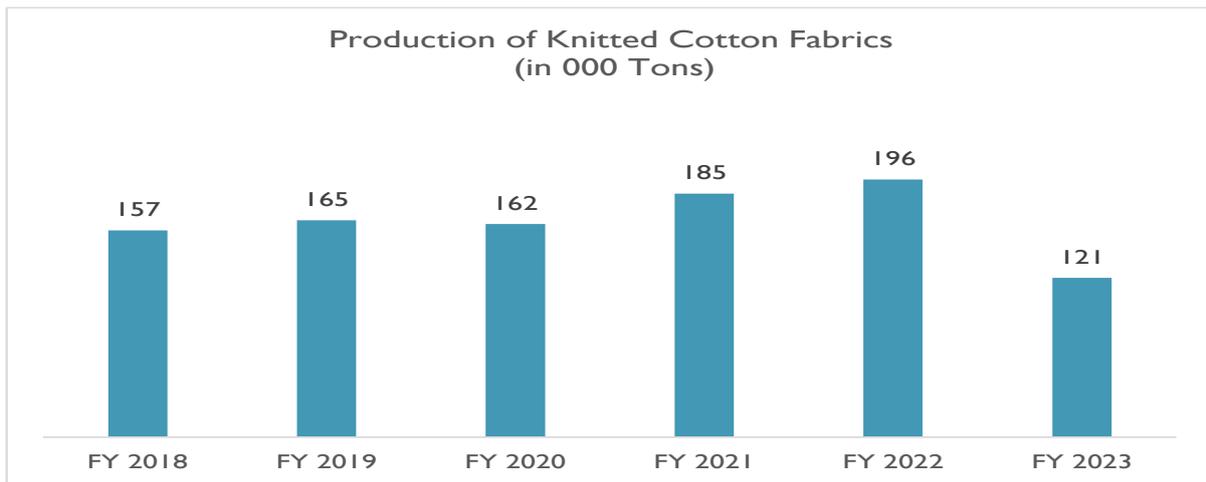


## Textile production scenario in India

The total annual production of fabric (comprising of cotton woven fabrics and polyester/viscose blended fabric) in India is estimated to be nearly 493 million running meters<sup>1</sup> in FY 2023. Meanwhile the annual production of knitted cotton fabric is estimated to be nearly 121 thousand tons in FY 2023.



Source: CMIE Industry Outlook (sourced from Central Statistics Office Data)



Source: CMIE Industry Outlook (sourced from Central Statistics Office Data)

The Indian textile and apparel industry, contributing 2% to the nation's GDP and 7% of industrial output, is currently navigating a challenging period. Despite a 4% share in global trade and over 10% contribution to India's export basket in 2021-22, the industry is facing a downturn. Domestic sales have lagged, with consumer spending shifting towards food, electronics, and vehicles, reducing demand for garments. The spinning sector is particularly affected by under-utilization due to decreased yarn imports from China and weak domestic demand from weavers and knitters.

In response to these challenges, initiatives like the Production Linked Incentive (PLI) and PM Mitra schemes have been introduced to attract investments in man-made fibers and technical textiles, aiming to reduce import dependence. However, the industry remains reliant on imported man-made fibers, particularly from China, Vietnam, and Taiwan. The struggles of Bangladesh's garment industry, marked by labor unrest, political instability, and declining exports, are creating significant opportunities for the Indian textile sector. As global brands seek to diversify their supply chains and mitigate risks, India stands to benefit from increased demand for its textile



products, provided it can maintain quality and sustainability in its offerings. Additionally, a 40% rise in freight costs due to disruptions in the Red Sea region is further straining operational costs and impacting product pricing.

## Key Product Segments

The textile industry comprises various key components, primarily categorized into different types of fibers and their blends. Here's an overview of the main components:

### Cotton

Cotton is a natural fiber renowned for its softness, breathability, and absorbency. It is a popular choice in both apparel and home textiles due to its inherent comfort and versatility. Cotton's ability to absorb moisture makes it ideal for a wide range of uses, from casual wear to bedding. Cotton is often blended with synthetic fibers to enhance the durability of the fabric and reduce production costs. One of the most common blends is cotton-polyester, which combines cotton's absorbency with polyester's strength and wrinkle resistance. This blend not only extends the fabric's lifespan but also improves its ease of care.

### Synthetic Fibers

Synthetic fibers such as polyester, nylon, and acrylic, along with spun filament viscose, play an essential role in the textile industry. Polyester is particularly valued for its durability, resistance to shrinking and stretching, and quick-drying properties, making it ideal for activewear, outerwear, and various home textiles. Nylon and acrylic, known for their strength and elasticity, further add to the versatility of synthetic textiles. Spun filament viscose, meanwhile, offers a soft, breathable texture, enhancing the comfort of blended fabrics.

Synthetic fibers are frequently combined with natural fibers to improve performance, yielding blends with better moisture-wicking capabilities, greater elasticity, and enhanced durability for sportswear, functional garments, and everyday fabrics. The strength, ease of care, and versatility of synthetic materials contribute significantly to their widespread use across the industry, meeting the diverse needs of both consumers and manufacturers.

### Silk Textiles

India is the world's second-largest silk producer, with Karnataka, Tamil Nadu, and West Bengal as key production hubs. The silk segment includes products such as raw silk, traditional silk sarees, and high-end silk garments, which hold a premium position in domestic and international markets. The high demand for silk apparel, especially sarees, both domestically and in the Indian diaspora, continues to drive growth in this segment. With a focus on preserving traditional techniques and boosting export potential, silk textiles remain an important contributor to India's textile economy.

### Handloom and Traditional Textiles

India's handloom and traditional textiles represent a unique segment distinguished by heritage-rich designs and craftsmanship. Key products in this category include the Banarasi saree, Kanjeevaram, Pashmina shawls, and numerous region-specific fabrics. This segment not only contributes to India's cultural identity but also to its economic output, with a significant number of artisans employed across the country. Government initiatives and increasing global interest in traditional textiles have further boosted this segment's growth, making it an attractive proposition in the export market.

### Technical Textiles

Technical textiles represent a high-growth area within India's textile industry, serving specialized needs in sectors such as agriculture, healthcare, construction, and automotive. Products include geotextiles, medical textiles, and agro textiles, each of which is engineered for specific industrial applications. With strong government support through policy initiatives and incentives, the technical textile sector has seen substantial investment and innovation, positioning India as a potential global leader in this space.

### Home Textiles

The home textiles segment, which includes products like bed linens, towels, curtains, carpets, and mattresses, is a significant contributor to India's textile exports. India has established a reputation for high-quality home textiles, making it a preferred sourcing destination for retailers and wholesalers across North America, Europe, and the

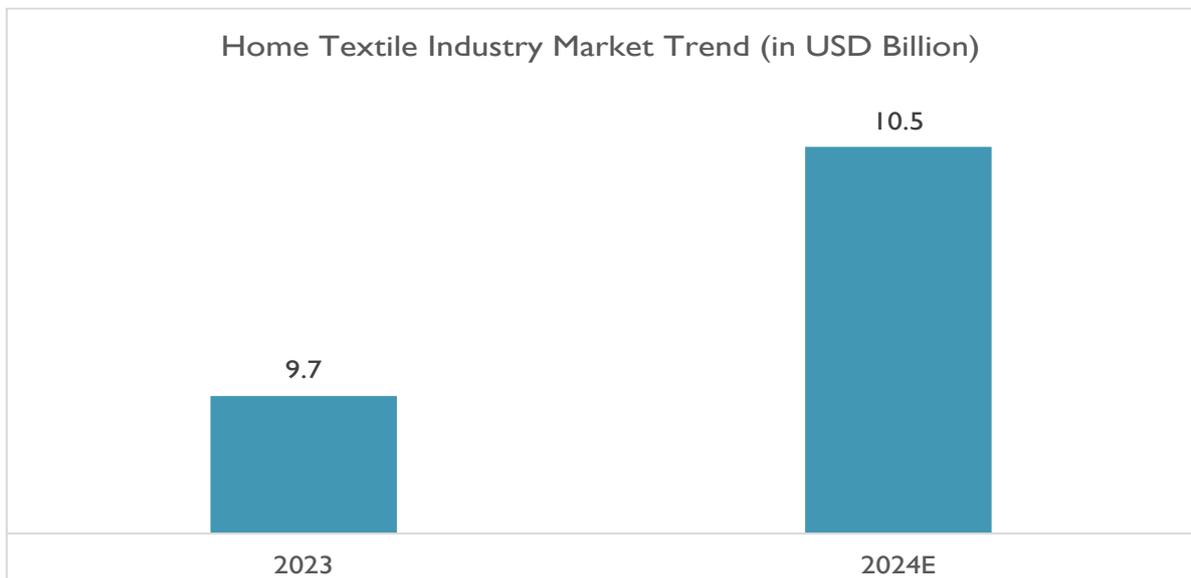


Middle East. The segment benefits from well-developed production capabilities and continues to grow, supported by rising global demand for quality home textile products aimed at enhancing home comfort.

## Home Textile Industry in India

### Market Scenario

The Indian home textile market has exhibited notable growth in recent years, with the market size estimated at USD 9.7 billion in 2023 and expected to increase to USD 10.5 billion in 2024, marking a growth rate of approximately 9%. This rapid expansion has drawn the interest of foreign brands, many of which have entered the Indian market through direct investments or joint ventures, eager to capture a share of this thriving industry. The sector's growth is driven by multiple factors, including rising household incomes, an increasing population, enhanced income levels, and a well-established network of organized retail channels, which have improved accessibility for consumers. Additionally, demand from end-use sectors such as housing, hospitality, and healthcare has created substantial opportunities for home textiles in India, positioning the country as a significant player in the global home textile trade. India now accounts for around 7% of global home textiles exports, with a considerable share destined for the United States, one of the largest markets for home textiles.



Source: Industry Reports, D&B analysis

The home textile sector, however, has faced challenges amid global economic volatility and rising inflation. Like other industries, it was impacted by the COVID-19 pandemic, which led to a decrease in demand, disrupted supply chains, and slowed international trade. These disruptions affected the entire home textile value chain, leading to order cancellations and suspended purchases from both domestic and international buyers, further straining the industry. While logistical issues and market uncertainty added to the sector's challenges, the resilience of the home textile industry is evident in its ongoing recovery. The industry has adapted by investing in quality enhancements, strengthening logistics, and optimizing operations to ensure product availability and competitiveness on a global scale.

As the Indian economy rebounds from the pandemic, pent-up demand is driving a resurgence in home textiles. Industry players are making strides in quality improvement and pursuing innovations through research and development (R&D) programs to add value to their offerings. This focus on value-added features, such as superior quality, design innovation, and sustainability, has strengthened India's position in the global home textiles market. Delhi has emerged as a key production and export hub, contributing to the country's export potential. Moreover, with the revival of the tourism industry, particularly in the hospitality sector, demand for home textiles is expected to rise domestically as well. The increasing consumer preference for branded products indicates a shift toward higher-quality home textiles in India, highlighting the industry's potential for sustained growth in both local and international markets.



## Key Product Segments

The home textile industry in India comprises a range of key product segments, each catering to various aspects of home decor and functionality. The primary segments within this industry include:

### Bed Linen and Bedspreads

This is one of the largest segments in India's home textile market, covering products such as bedsheets, pillow covers, comforters, quilts, and blankets. Indian bed linens are known for their quality and diversity in materials, such as cotton, silk, and synthetic blends, which appeal to both domestic and international consumers. India is a significant exporter of bed linen, particularly to markets like the United States and Europe.

### Blankets and Quilts

This segment includes blankets, duvets, and quilts, which are primarily in demand during colder seasons. Indian manufacturers produce a range of products using materials such as wool, cotton, and synthetic fibres. The export of quilts and blankets from India is strong, particularly in regions that experience colder climates.

India's home textile industry is well-diversified and continues to expand across these product segments, driven by rising domestic consumption and significant export demand. With a focus on quality, sustainability, and innovation, Indian manufacturers are well-positioned to maintain a strong presence in the global home textiles market.

### Printed and Knitted Fabrics

Printed and knitted fabrics play a vital role in mattress production, offering both aesthetic appeal and functional advantages. Knitted fabrics, known for their stretchability and softness, provide a comfortable and breathable surface, enhancing the mattress's adaptability and comfort. These fabrics also allow for better airflow, promoting temperature regulation and ensuring a cooler sleep experience. Printed fabrics, on the other hand, add visual value, featuring intricate designs and patterns that cater to consumer preferences for style and personalization. Together, these fabrics enable mattress manufacturers to create products that not only meet comfort requirements but also reflect modern design trends, making them popular choices in both premium and standard mattress segments.

## Demand Scenario

### Rising Disposable Incomes and Economic Growth

India's per capita disposable income is projected to reach INR 2.14 lakh in the fiscal year 2023-24, following a government revision of GDP data that has clarified gross and net national disposable income figures. Notably, per capita disposable income experienced an increase of 8% in FY 2024, building on a substantial 13.3% growth in the previous year. Gross national disposable income is anticipated to grow by 8.9% in FY 2024, compared to a robust 14.5% increase in FY 2023. As India's economy continues a steady growth trajectory, household incomes are rising, particularly in urban areas. This growth in disposable income is driving a shift in consumer behaviour, with an increasing willingness to invest in home improvement products, particularly home textiles. This trend is becoming more pronounced among both middle-class and affluent consumers, who are increasingly seeking high-quality, aesthetically pleasing, and branded home textile products.

The rise in disposable incomes not only reflects an upward trend in living standards but also supports sustained demand for a variety of home textile products, including bed linens, curtains, and upholstery. This growing consumer interest is a significant driver for the home textile industry, indicating a shift towards enhanced living environments.

### Rapid Urbanization and Real Estate Development

Urbanization in India is characterized by the swift migration of individuals from rural regions to urban centers, driven by various socio-economic factors and the promise of enhanced opportunities. This phenomenon is significantly impacting the Indian real estate sector, a vital component of the nation's economy, which finds itself at a pivotal moment as it navigates the transformative effects of urbanization. India is on the brink of an unprecedented wave of urbanization, with the urban population expected to reach a staggering 600 million by 2030. This significant demographic shift is generating a relentless demand for housing, commercial spaces, and infrastructure, thereby propelling the Indian real estate market towards substantial growth.



As more individuals relocate to urban areas for improved prospects, lifestyle changes accompany this migration, leading to a heightened demand for home textiles. New housing developments and increased rental activity in urban centres are driving the need for essential home furnishings. Moreover, the expansion of India's real estate sector, featuring a diverse range of housing projects—from affordable to premium—further fuels the demand for home textiles to furnish these new residences. This growing trend supports an increased market for products such as bed and bath linens, carpets, and upholstery, marking urbanization as a critical demand driver for the Indian home textile industry.

### **Growth of Organized Retail and E-commerce**

The growth of organized retail and e-commerce in India is playing a pivotal role in boosting demand within the home textiles industry, especially for products tailored to the mattress sector. Home Textiles industry is projected to reach USD 2 trillion by 2032; the retail market is expanding due to rising urbanization, increasing disposable incomes, and changing family structures. This shift toward modern retail and online platforms is making home textile products, including specialized fabrics for mattresses, more accessible to businesses and consumers alike, particularly in the B2B segment.

In particular, the mattress industry is experiencing increased demand for high-quality, health-friendly products as consumers prioritize comfort and wellness. Knitted fabrics, known for their durability and comfort, are seeing strong demand due to their suitability for premium mattresses. As e-commerce and organized retail grow, the mattress industry's focus on quality-driven products is expected to further propel the demand for specialty fabrics, making this segment an important contributor to the broader home textile market.

### **Increasing Focus on Home Décor and Interior Design**

With changing lifestyle preferences, home décor has become a significant focus for many Indian consumers, driving increased demand for specialty and knitted fabrics, especially in the mattress industry. The trend of creating personalized and stylish living spaces has elevated the need for high-quality, comfortable, and decorative textiles, including designer bed linens, plush mattress covers, and stylish comforters, all of which are often made using knitted fabrics for their durability and comfort.

Social media platforms like Instagram and Pinterest have played a crucial role in popularizing home décor trends, encouraging consumers to invest in aesthetic and luxury home textile products. This influence has notably contributed to the growth of the premium and branded segments within the mattress industry, where the demand for high-quality, health-conscious, and design-forward products continues to rise. As consumers increasingly seek comfort, style, and sustainability, the specialty fabrics and premium mattress sectors are witnessing a boost in demand, driven by a focus on both functionality and design.

### **Expansion of Hospitality, Healthcare, and Tourism Sectors**

The growth of India's hospitality and healthcare sectors has significantly contributed to the demand for specialty and knitted fabrics, particularly within the mattress industry. Hotels, resorts, and hospitals require large quantities of high-quality textiles, including bed linens, bath linens, curtains, and upholstery, many of which utilize knitted fabrics due to their comfort and durability. As tourism rebounds post-pandemic, the hospitality industry is expected to drive increased demand for premium home textiles, including those used in mattresses, where comfort and quality are key priorities.

Similarly, the healthcare sector, with its expanding network of hospitals and wellness centers, demands fabrics that are not only durable but also hygienic and comfortable. This has led to a growing need for specialized linens and fabrics suited for medical environments. As the demand for high-performance mattress products rises—particularly in the premium range, which includes health-friendly features—the hospitality and healthcare sectors are becoming key drivers for the growth of the mattress industry and the specialty fabrics market.

### **Export Opportunities and Global Demand**

India is a major exporter of home textiles, with a well-established reputation for producing high-quality products. The demand from global markets, particularly the US and Europe, continues to grow, making exports a significant contributor to overall industry demand. India's competitive advantage in producing cost-effective, quality home textiles position it as a preferred supplier worldwide.



Recent investments in technology, innovation, and quality improvements have helped Indian manufacturers meet the stringent requirements of international markets. The growing popularity of sustainable and eco-friendly textiles is also opening new export avenues for Indian home textiles in developed countries.

### **Post-Pandemic Recovery and Pent-Up Demand**

The home textile market, like many other industries, faced challenges during the COVID-19 pandemic, with demand significantly impacted by economic uncertainty and supply chain disruptions. However, as the economy recovers, there is a surge in pent-up demand, with consumers eager to refurbish and improve their living spaces after prolonged lockdowns.

The focus on comfort, quality, and wellness post-pandemic has led to a renewed interest in home improvement, with consumers spending more on beddings, curtains, and other textiles that enhance home comfort.

### **Regulatory Landscape**

The Indian home textile industry operates within a complex regulatory framework that governs its manufacturing, quality standards, labor practices, and environmental impacts. This regulatory structure, shaped by both central and state-level policies, is designed to promote sustainable growth, ensure product quality, and encourage exports. Key regulations encompass areas like textile production, labor standards, environmental compliance, and trade facilitation.

### **Regulatory/Policy Framework Governing the Industry**

- **Textile Sector Regulations:** The Indian Ministry of Textiles establishes guidelines and policies specific to the sector. Key regulations include the Textile (Development and Regulation) Order, 2001, which oversees textile production, standards, and quality controls across the sector. The Bureau of Indian Standards (BIS) also plays a significant role in setting and enforcing quality benchmarks that ensure home textile products meet national and international requirements.
- **Labor and Social Compliance:** The industry is governed by multiple labor laws, such as the Factories Act, 1948, which regulates working hours, wages, health, and safety for workers in manufacturing facilities. Additionally, there is a strong emphasis on ensuring labor rights compliance, with adherence to the Code on Wages, 2019, and the Occupational Safety, Health, and Working Conditions Code, 2020. These regulations collectively ensure a safe working environment, with provisions on fair wages, limiting working hours, and outlining safety measures in manufacturing units.
- **Environmental Standards:** The Indian government has introduced several environmental regulations to address the textile industry's environmental footprint. The Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981 regulate emissions and waste management within textile units. Additionally, textile manufacturers are encouraged to implement sustainable practices, such as efficient water usage, waste recycling, and emission control, in line with India's commitments to climate action.
- **Export Policies and Trade Facilitation:** India's export policies for the textile sector are managed under the Foreign Trade Policy (FTP), which provides guidelines for export and import of textile goods. The Export Promotion Councils (EPCs), such as the Cotton Textiles Export Promotion Council (TEXPROCIL), work alongside the government to facilitate global market access, resolve trade-related issues, and promote Indian textile exports internationally. Additionally, the Quality Control Orders (QCOs) under the BIS mandate strict quality compliance for exported textile goods, ensuring that Indian textiles meet international standards and are competitive in global markets.



## Policy Initiatives and Government Incentives to Promote Industry Activity

The Indian government has implemented several policies and incentive programs to bolster the home textile industry, encourage exports, and attract investments:

- **Production Linked Incentive (PLI) Scheme:** In 2021, the government launched the **PLI Scheme for Textiles**, particularly for the manufacture of man-made fibers and technical textiles. This scheme offers financial incentives to textile manufacturers based on incremental sales growth, with the goal of increasing India's share in the global textile market and driving sectoral innovation.
- **Scheme for Integrated Textile Parks (SITP, 2005):** To address the need for modern infrastructure, the government introduced the **SITP** to develop world-class infrastructure for textile units. This scheme supports the establishment of textile parks with essential facilities like power, water supply, roads, and common effluent treatment plants, creating a conducive environment for textile manufacturing and export activities.
- **Amended Technology Upgradation Fund Scheme (ATUFS, 2015):** The **ATUFS** is an initiative to promote technology upgrades in the textile industry, including the home textile sector. This scheme provides capital subsidies for investments in new machinery and technology, helping manufacturers improve product quality, operational efficiency, and energy consumption, and maintain competitiveness in global markets.
- **Market Access Initiative (MAI) Scheme, 2021:** This scheme supports the home textile industry's export-oriented efforts. The **MAI** provides financial assistance for participation in trade shows, exhibitions, and buyer-seller meets, helping Indian textile exporters expand into new markets and attract foreign buyers.
- **Duty Drawback Scheme and Rebate of State and Central Taxes and Levies (RoSCTL, 2019):** To promote exports, the **Duty Drawback Scheme** and **RoSCTL** provide refunds on various taxes and levies incurred by textile exporters. These schemes help lower production costs, making Indian home textiles more competitive in the global market.
- **Focus on Sustainability:** Recognizing the growing global focus on sustainable products, the Indian government is also promoting the adoption of eco-friendly practices in textile manufacturing. The Green Manufacturing Initiative and various subsidies for environmentally friendly production processes encourage home textile manufacturers to adopt greener practices, positioning India as a sustainable textile producer.

These policies and incentives collectively create a supportive ecosystem for the Indian home textile industry, encouraging growth, export expansion, and modernization. The government's active role in providing financial incentives, promoting sustainable practices, and developing infrastructure underscores its commitment to positioning India as a global leader in the home textile sector.

## Trade Scenario

In FY 2022, exports surged to INR 467.6 billion, marking a substantial increase. This spike can be attributed to the pent-up demand in the post-pandemic recovery phase as international markets resumed operations, driving demand for Indian home textiles. However, imports also rose to INR 14.5 billion, reflecting an increased domestic demand for specific textile components not manufactured locally. The next fiscal year, FY 2023, saw a decline in exports to INR 400.2 billion, indicating potential global economic slowdowns, inflationary pressures, and increased competition from other low-cost markets like Bangladesh and Vietnam. Conversely, imports rose significantly to INR 20.4 billion, driven by rising demand for specialized textile materials and inputs, as well as a weaker Indian rupee which may have impacted the cost-effectiveness of domestic production in certain segments.



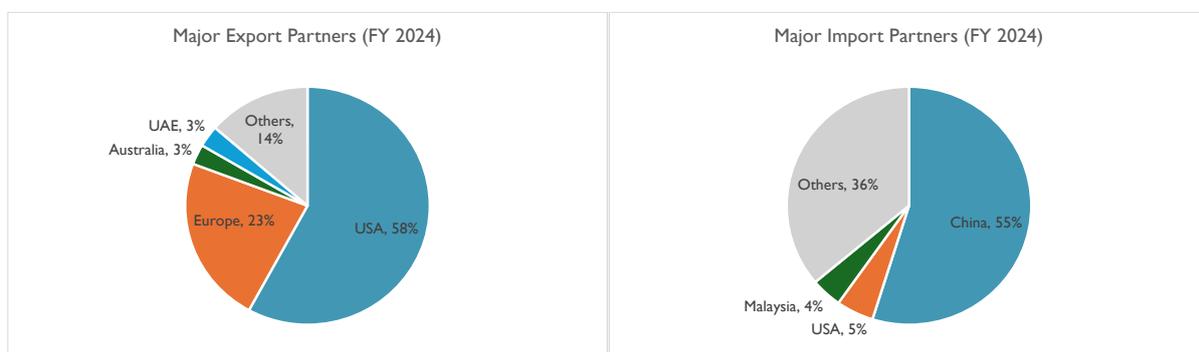
Source: Ministry of Commerce

The trend continued in FY 2024, with exports recovering moderately to INR 426.2 billion. This slight rebound could be linked to strategic policy support, diversification in export destinations, and India’s enhanced presence in the “China+1” supply chain strategy, particularly among European and U.S. markets concerned with diversifying sources away from China. Imports further increased to INR 23.8 billion, reflecting both a growing domestic demand for diverse home textile products and challenges in self-sufficiency for specialized materials. By FY 2025 (April to August), exports reached INR 191.8 billion, on track to maintain a steady performance for the fiscal year if current trends continue, while imports stood at INR 11.0 billion. This indicates a potential stabilization, with export demand holding steady amid evolving market dynamics.

Overall, the trade patterns within India’s home textile sector reflect a mix of global demand fluctuations, domestic market growth, and the evolving competitive landscape. The sector’s resilience in exports highlights India’s strategic positioning and potential to grow further, while the rising imports underscore an opportunity to develop domestic capabilities for specialized inputs and reduce dependency on imports. As India continues to strengthen its supply chain, improve production efficiencies, and leverage government incentives, the home textile industry is well-positioned to balance its trade flow and expand its global footprint.

### Trade Partners

India's home textile sector has seen a significant contribution from its major export partners, with the United States leading the charge, accounting for a substantial 58% of total exports. This dominance reflects the strong demand for Indian home textile products such as bed linens, curtains, and carpets, which are highly favored in the U.S. market due to their quality, variety, and competitive pricing. The U.S. remains a critical trade partner for India's home textile industry, offering continued growth opportunities. This strong relationship highlights the importance of maintaining high standards of production, marketing strategies, and logistical capabilities to retain market share in this key region.



Source: Ministry of Commerce, D&B analysis

Europe is another important market for India’s home textiles, contributing 23% of the total exports. Within Europe, the UK, Germany, and France account for 12%, showcasing the growing demand in these nations for Indian-made home textile products. These countries are characterized by a strong inclination towards premium, sustainable, and diverse home decor solutions, aligning with the capabilities of India's textile manufacturers. As these markets



are driven by consumer preferences for eco-friendly products, there is considerable potential for growth in exports, provided Indian manufacturers can meet these evolving demands. Additionally, the remaining 14% of India's home textile exports to Gulf and Asian countries underscores the sector's expanding global footprint. The increasing middle-class population and rising disposable income in these regions present new opportunities for Indian home textile exporters to diversify their customer base and reduce dependency on traditional markets.

On the import side, India's home textile sector is predominantly supplied by China, which accounts for 55% of total imports. This is followed by the USA, contributing 5%, and Malaysia with 4%. The remaining 36% of imports come from a diverse range of countries. This varied import landscape enables India to access a wide array of textile products, supporting the sector's ability to cater to both mass-market and specialized consumer demands. The heavy reliance on Chinese imports reflects the country's dominance in the global textile manufacturing landscape, while other regions supplement the market with niche products.

### **Competitive Landscape**

The Indian home textile industry is characterized by a competitive landscape with a mix of established players and emerging brands, contributing to a dynamic and fragmented market. Companies such as Welspun Group, Bombay Dyeing, and Alok Industries Ltd. dominate the sector. These players compete on factors such as product diversity, quality, and branding, with larger companies leveraging economies of scale, while smaller firms focus on niche markets. The rise in domestic demand, driven by higher household incomes and changing consumer preferences for quality living, has fuelled growth in the sector.

In addition, innovation and sustainability are key trends in the industry, with companies increasingly investing in research and development to create eco-friendly products that cater to growing consumer demand for sustainability. The expansion of e-commerce and organized retail has further supported market growth, enabling manufacturers to reach a broader urban consumer base. However, the sector continues to face challenges such as volatility in raw material prices, intense global competition, and disruptions in supply chains, which impact production timelines and delivery commitments. Despite these challenges, the industry's resilience and growth potential in both domestic and international markets remain strong.

The competition within the Indian home textile sector is shaped by several key factors that influence market dynamics and the strategies adopted by industry players. These factors include product innovation, quality standards, branding, pricing strategies, and the growing role of sustainability.

### **Key Factors Shaping Competition in the Sector**

- **Product Innovation and Diversification:** As consumer preferences evolve, home textile companies are increasingly focusing on offering a diverse range of products that cater to various tastes and preferences. Innovations such as organic and eco-friendly textiles, as well as products with enhanced functionality like antimicrobial or temperature-regulating fabrics, are gaining traction. Companies that invest in research and development to meet these evolving needs maintain a competitive edge in the market.
- **Quality and Branding:** Quality is a key differentiator in the home textile industry, with brands like Kurlon and Sleepwell leveraging strong reputations to build consumer trust. Kurlon specializes in foam, coir, and spring mattresses, offering ergonomic and eco-friendly solutions, while Sleepwell focuses on advanced sleep technologies, particularly memory foam and spring mattresses for optimal comfort and spinal alignment. Both brands are known for their premium, durable products, which command higher price points due to their emphasis on quality. As consumer awareness around quality and sustainability grows, Kurlon and Sleepwell continue to lead the market, maintaining a competitive edge in the home comfort segment.
- **Pricing and Cost Management:** Competitive pricing strategies are critical, especially as the sector faces competition from both domestic and international players. Companies that can effectively manage their



production costs, including raw material procurement and logistics, are better positioned to offer attractive pricing while maintaining profitability. Volatility in raw material prices, particularly cotton, has heightened the need for efficient cost management practices.

- **E-commerce and Distribution Channels:** The growth of e-commerce platforms and organized retail has transformed the competitive landscape, enabling both large and small players to reach urban and rural consumers alike. The ability to leverage online sales channels for wider distribution is becoming increasingly important as consumer shopping habits shift towards digital platforms.
- **Sustainability and Eco-friendly Products:** With rising awareness about environmental issues, sustainability has become a key factor in shaping competition. Companies that adopt sustainable practices in sourcing, manufacturing, and packaging are gaining favor with consumers who prioritize eco-friendly products. The shift towards sustainability is driving investments in green technologies and the development of environmentally responsible products.

Overall, the competitive dynamics in the Indian home textile sector are influenced by a combination of innovation, quality, cost efficiency, and sustainability, with companies striving to maintain a balance between these factors to capture a larger market share.

#### Major Players in Textile Industry

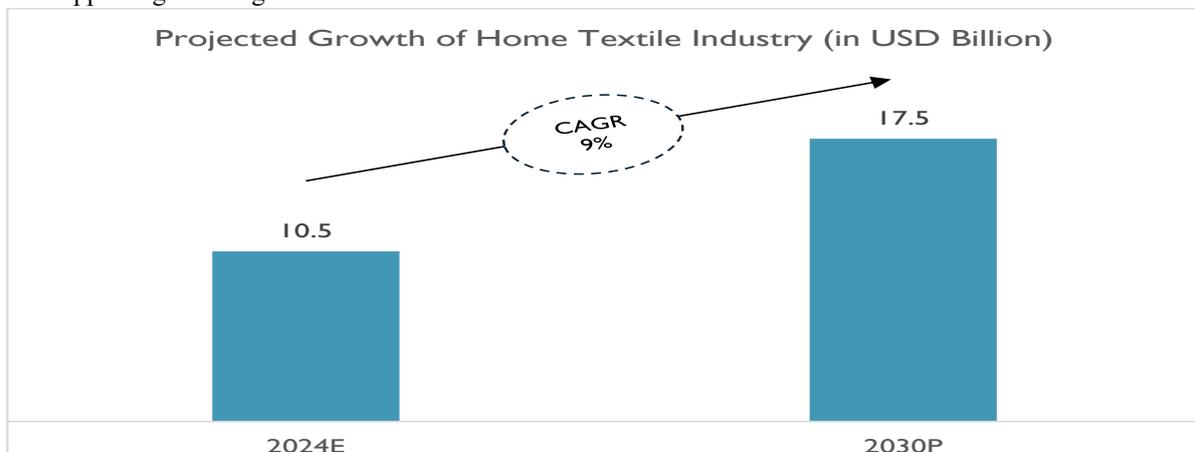
Company Name	Description
<b>Welspun Living Limited (WLL)</b>	<p><b>Headquarter:</b> Mumbai, Maharashtra, India</p> <p><b>Founding Year:</b> 1985</p> <p>Welspun Living Limited, a subsidiary of Welspun group is a global player in the home textile market, operates across key segments including bath linen, bed linen, spunlace, rugs, carpets, and wet wipes, with annual production capacities of 27,729 MT for bath linen, 3,026 MT for bed linen, and 18 million square meters for spunlace. The company is known for its innovation and sustainability, with 41% of its revenue coming from innovative products. Welspun's towels and sheets rank 4th and 7th in the U.S. market, and it has a diverse workforce, with 27% women among its 30,000+ employees. With over 35 years of experience, the company is focused on expanding its domestic presence while continuing to grow its export business, positioning itself as a key player in the global home textile industry.</p>
<b>Global Textile Alliance and India Private Limited</b>	<p><b>Headzzquarter:</b> Coimbatore, Tamil Nadu</p> <p><b>Founding Year:</b> 2011</p> <p>Global Textile Alliance India (GTA India), a subsidiary of Belgium-based GTA Belgium, specializes in interior fabrics for diverse sleep systems and offers upholstery</p>



	<p>and curtain fabrics through its sister companies Symphony Mills and Ter Molst. With over 60 years in the global sleep and interior sectors, GTA established India's first mattress ticking manufacturing facility, providing high-quality, locally-produced fabrics. As a member of the Love Home Fabrics label, GTA India prioritizes craftsmanship and competitive pricing. The group's facilities collectively produce 28 million meters of knitted and 45 million meters of woven fabrics annually, supporting continuous innovation and growth.</p>
<p><b>CMC Textiles Pvt Ltd</b></p>	<p><b>Headquarter:</b> Daman</p> <p><b>Founding Year:</b> 2001</p> <p>CMC Textiles began as Mani More Synthetics in Daman and was transformed by MD Mr. Ajeet Yadav, who brought over 30 years of yarn manufacturing expertise. Under his leadership, CMC pioneered fancy yarns and expanded into yarn production, fabric manufacturing, and printing. With over 100,000 sq. ft. of facilities in Silvassa and Daman, the company offers home textiles, technical textiles, and specialty fabrics, efficiently serving customers across India and abroad through a centralized, real-time information system.</p>

### Growth Forecast

The Indian home textile industry is poised for significant growth, with its market size projected to reach USD17.5 billion by 2030 from an estimated USD10.5 billion in 2024, driven by a CAGR of 9%. This growth trajectory is bolstered by a strategic shift in global sourcing, as large multinational retailers adopt the 'China+1' approach. This strategy, aimed at reducing dependency on China, has positioned India as a key alternative, especially for major consumer markets like the United States and the European Union. Concerns surrounding forced labour practices in China's Xinjiang region have led to bans on Xinjiang cotton and have encouraged companies to seek other sourcing options. India stands to benefit substantially from this shift, as its home textile sector is both cost-competitive and capable of meeting the high-volume demands of international markets. As EU and US T&A imports from China decreased by 20% and 30% YoY in the first nine months of FY 2024, India has emerged as a more appealing sourcing destination.



Source: D&B analysis



India's competitive edge lies not only in lower production costs but also in the abundant availability of quality cotton, which remains a critical factor for global retailers. With rising wages in China, India's cost advantages are increasingly attractive to brands like Walmart and Target that prioritize affordable products. These retailers have found in India a viable source for home textiles that allows them to maintain cost efficiency while supporting high standards. As a result, India's export share in the home textile sector has risen to 38% and is projected to grow further. This expanding export share underscores India's ability to capitalize on cost advantages over regional competitors like China and Bangladesh, positioning it as a preferred global supplier of home textiles. The forecasted growth reflects both global shifts in supply chain strategies and India's capacity to leverage these trends to drive expansion in its home textile industry.

### **Threats and Challenges**

The home textile industry in India faces several key threats and challenges that could impact its growth and profitability.

#### **Intense Competition**

Both domestic and international players contribute to the highly competitive nature of the market. Indian manufacturers must compete with low-cost imports, particularly from China, which can offer competitive pricing due to its scale of production and advanced technology. This places pressure on Indian companies to innovate and find cost-effective manufacturing solutions.

#### **Fluctuating Raw Material Prices**

The volatility in raw material prices, such as cotton and synthetic fibers, significantly impacts production costs. Price fluctuations can affect profit margins, particularly for companies that are unable to quickly adapt to such changes in the supply chain. This is further exacerbated by global supply chain disruptions, leading to delays and increased costs for raw materials.

#### **Labor and Skill Shortages**

Despite the availability of a large labour pool, the home textile industry faces challenges in terms of skill development and labour efficiency. Many textile workers lack the specialized skills required for high-quality production, which impacts product consistency and overall productivity. Additionally, labor shortages in some regions can lead to production delays.

#### **Regulatory Hurdles**

The industry is often confronted with complex regulatory frameworks, including tariffs, import duties, and compliance requirements related to product quality and labor laws. These regulatory challenges can lead to higher operational costs and delays in getting products to market.

#### **Environmental Sustainability Pressures**

As consumers become more environmentally conscious, there is increasing pressure on manufacturers to adopt sustainable practices. The industry faces challenges in terms of reducing water usage, waste management, and shifting towards eco-friendly materials. The transition to sustainable practices requires significant investment in technology and process upgrades.

#### **Evolving Consumer Preferences**

Changing consumer preferences, driven by factors such as fashion trends, sustainability concerns, and lifestyle changes, require constant innovation and adaptability from home textile manufacturers. Companies that fail to quickly respond to these trends risk losing market share to more agile competitors.



## Supply Chain Disruptions

Global events such as the COVID-19 pandemic have highlighted the vulnerabilities of international supply chains. Disruptions in transportation, procurement of materials, and labour shortages can significantly delay production timelines and affect product availability in the market.

In conclusion, while the Indian home textile industry has significant potential for growth, overcoming these challenges will require continuous innovation, investment in sustainability, effective management of supply chain risks, and a focus on skill development to remain competitive in the global market.

## FINANCIAL PERFORMANCE

### EXPENSE SNAPSHOT

The financial performance of the home textile industry over FY 2021 to FY 2023 reveals a clear trend of rising raw material costs, escalating from 62.0% in FY 2021 to a peak of 72.9% in FY 2022, before stabilizing at 70.6% in FY 2023. This surge underscores inflationary pressures and supply chain challenges, likely driven by increased costs for key textile fibres. Companies such as Jacquard Fabrics (India) Private Limited and Global Textile Alliance India Private Limited are particularly impacted, as raw material expenses play a significant role in their cost structure. The slight dip in FY 2023 may reflect improved sourcing strategies or a stabilization in input prices, although raw material costs remain notably elevated.

	Raw Material	Power & Fuel	Salary & Wage	SG&A	Interest
FY 2021	62.0%	2.4%	6.1%	12.3%	3.0%
FY 2022	72.9%	3.3%	4.6%	10.3%	2.0%
FY 2023	70.6%	3.5%	5.0%	13.2%	2.1%

In terms of power, fuel, and labor costs, the data reveals a gradual increase in power and fuel expenses from 2.4% in FY 2021 to 3.5% in FY 2023, reflecting higher energy prices and possibly increased production. Salary and wage expenses show a more dynamic trend, dropping from 6.1% to 4.6% in FY 2022 before inching up to 5.0% in FY 2023. This decrease followed by a slight rise suggests that while companies, including CMC Textiles Pvt Ltd, sought efficiency gains, there may have been renewed investment in workforce capacity as market demand grew. The overall increase in these operational costs could prompt industry players to explore energy-efficient technologies and balance workforce optimization with demand.

The trend in SG&A and interest expenses illustrates shifts in administrative and debt management strategies. SG&A costs decreased to 10.3% in FY 2022, likely due to cost controls during uncertain economic conditions, but rose to 13.2% in FY 2023 as companies expanded marketing and distribution efforts post-pandemic to capture market share. For example, Global Textile Alliance India Private Limited might have allocated more to sales and marketing to strengthen competitive positioning. Meanwhile, interest expenses decreased from 3.0% in FY 2021 to 2.0% in FY 2022, stabilizing around 2.1% in FY 2023, likely due to debt repayment or refinancing at lower rates. These adjustments reflect the industry's strategic cost management to improve profitability amidst evolving market dynamics.

### PROFITABILITY PERFORMANCE

	Operating Profit Margin	Net Profit Margin
FY 2021	16.7%	6.8%
FY 2022	11.8%	5.2%
FY 2023	8.0%	0.4%

The profitability performance of the home textile industry has exhibited a notable decline over the past three fiscal years, with both Operating Profit Margin and Net Profit Margin under significant pressure. The Operating Profit Margin dropped from 16.7% in FY 2021 to 11.8% in FY 2022, and further to 8.0% in FY 2023, indicating that



rising costs across raw materials, energy, and other operational expenses are eroding profit potential. This consistent decrease reflects industry-wide difficulties in managing cost escalation while maintaining pricing competitiveness, suggesting that companies are struggling to pass increased costs onto consumers without impacting demand.

The Net Profit Margin has also followed a declining trend, reducing from 6.8% in FY 2021 to 5.2% in FY 2022, before dropping sharply to 0.4% in FY 2023. This rapid reduction in net profitability suggests that additional cost pressures, combined with potentially limited pricing power, have nearly erased bottom-line margins. With such minimal net profitability, the industry faces a challenging environment where even modest cost increases can substantially impact financial performance. This trend highlights a critical need for strategic cost control, efficiency improvements, or possibly a pivot toward higher-margin product offerings to mitigate the ongoing pressure on profitability.

## PEER BENCHMARKING

Key Indicators (INR Million, FY 2023)	Jacquard Fabrics India Pvt Ltd	Global Textile Alliance and India Private Limited	CMC Textiles Pvt Ltd
Revenue from Operations	454.7	1,346.9	2,730.0
EBITDA	123.4	130.9	107.2
PAT	70.9	-99.9	46.1
EBITDA Margin (%)	27.1%	9.7%	3.9%
PAT Margin (%)	15.6%	-7.4%	1.7%
ROA	11.3%	5.7%	4.7%
ROCE	17.9%	12.8%	17.7%
Net Worth	433.00	332.00	340.00
Long-term Debt	111.00	968.00	79.00
Debt Equity Ratio	1.5	5.3	28.7
Return on Equity	16.4%	-30.1%	13.6%

The home textile industry in FY 2023 showcases varied financial performance among key players, with contrasting results in revenue generation, profitability, and financial leverage. Revenue from Operations was led by CMC Textiles Pvt Ltd at INR 2,730.0 million, followed by Global Textile Alliance India Private Limited with INR 1,346.9 million, and Jacquard Fabrics India Pvt Ltd with INR 454.7 million. However, EBITDA Margins reveal disparities in operational efficiency, as Jacquard Fabrics achieved a notable 27.1%, significantly higher than Global Textile Alliance's 9.7% and CMC Textiles' 3.9%. Similarly, PAT Margins varied widely: Jacquard Fabrics posted a strong 15.6% PAT Margin, while Global Textile Alliance registered a negative -7.4%, and CMC Textiles recorded a modest 1.7%, highlighting challenges in maintaining net profitability across the industry.

In terms of asset utilization and financial leverage, Return on Assets (ROA) and Return on Capital Employed (ROCE) indicate varying levels of capital efficiency. Jacquard Fabrics leads with ROA and ROCE at 11.3% and 17.9%, respectively, reflecting effective use of assets and capital. CMC Textiles, despite a high revenue base, has a lower ROA of 4.7% and a high Debt-Equity Ratio of 28.7, suggesting substantial reliance on debt financing. Global Textile Alliance also exhibits a leveraged position with a Debt-Equity Ratio of 5.3, impacting its financial stability and contributing to its negative Return on Equity (-30.1%). These financial indicators illustrate the industry's varied landscape, with some players managing profitability and debt more effectively than others amidst the sector's evolving challenges.

## COMPANY PROFILE – RACHIT PRINTS

### Operational Profile

Established in 2003, Rachit Prints Limited, formerly known as Rachit Prints Private Limited, operates as a manufacturer of specialty fabrics for the mattress industry. Headquartered in Meerut, Uttar Pradesh, the company



has been instrumental in transforming the textile sector, specifically focusing on producing knitted and printed fabrics. The company's robust offline distribution model has helped build a sustainable business over time.

## **Product Profile**

Rachit Prints specializes in the production of high-quality fabrics tailored for the mattress industry. The key products offered by the company include:

- **Knitted Fabrics**

Knitted fabrics are made using a series of interlocking loops of yarn, which creates a fabric with great stretchability and flexibility. These fabrics are commonly used for applications requiring comfort, such as mattresses. Their elasticity allows them to conform to shapes, providing a soft and comfortable feel. Knitted fabrics also offer breathability, contributing to better airflow and temperature regulation, making them ideal for use in bedding and other textiles requiring durability and comfort.

- **Printed Fabrics**

Printed fabrics feature designs and patterns applied to the fabric surface, typically through techniques like screen printing or digital printing. These fabrics are often used for decorative purposes, adding visual appeal to products like mattresses. Printed fabrics allow for a wide range of design possibilities, from intricate patterns to bold colors, and are popular for enhancing the aesthetic qualities of both functional and decorative items.

- **Warp Knit Fabrics**

Warp knit fabrics are produced by interlacing yarns vertically in parallel. This type of knitting offers increased stability and durability compared to weft-knitted fabrics. Warp-knit fabrics are known for their dimensional stability, meaning they resist stretching or distortion over time. These fabrics are often used in applications that require strength and stability, such as in industrial textiles and bedding.

- **Comforters**

Comforter fabrics are designed to be soft, insulating, and breathable, making them ideal for bedding products. These fabrics are often quilted to provide an even distribution of warmth while ensuring comfort. Comforter fabrics are available in a range of materials, from cotton blends to synthetic fibers, each providing different levels of warmth, softness, and durability. These fabrics are essential for bedding and seasonal use, offering both functionality and comfort.

- **Binding Tape**

Binding tape is a narrow strip of fabric used to finish the edges of a textile product, such as a mattress or cushion. It provides a clean, secure edge while adding durability to the product. Binding tapes are often used to prevent fraying, offering both a functional and aesthetic finish. These tapes come in various widths, colors, and materials, ensuring they can complement different fabric types and design requirements.

- **Flame-resistant fabrics**

Flame-resistant fabrics have become a critical component in mattress manufacturing due to stringent safety standards and growing consumer awareness of fire hazards. These fabrics are specially treated or engineered to resist ignition and slow the spread of flames, offering an essential layer of protection. Commonly made from fibers like aramid, modacrylic, or treated cotton, flame-resistant mattress fabrics undergo rigorous testing to meet flammability regulations set by various safety standards which is particularly significant in the hospitality and healthcare sectors, where compliance with fire safety norms is mandatory. As the demand for safer bedding options rises, the integration of flame-resistant fabrics into mattress production not only meets regulatory compliance but also strengthens consumer trust in mattress safety and quality.



## MANUFACTURING CAPABILITY

Rachit Prints operates its manufacturing unit in Meerut, Uttar Pradesh, where all production activities, including weaving, designing, printing, and finishing, are carried out in-house. The company sources yarn and chemicals to produce its specialty textiles, which are then processed into fabrics through knitting and printing techniques. The production process ensures that each fabric produced meets the highest quality standards for the mattress industry. With a focused production strategy on knitted, printed, and warp-knit fabrics, Rachit Prints demonstrates a manufacturing capacity to serve the existing customer base.

## KEY CUSTOMER SEGMENTS

Rachit Prints primarily serves the mattress industry, offering fabrics to businesses engaged in manufacturing mattresses and related products. The company's products are supplied to various mattress manufacturers who require specialty fabrics such as knitted, printed, and warp-knit options. By catering to this niche market, Rachit Prints provides a range of fabric solutions designed to meet specific needs. The offline distribution model further ensures a direct link with its customers, allowing for tailored solutions to meet specific fabric requirements.

## SWOT ANALYSIS

### *Strengths*

- **Established Market Presence:** Founded in 2003, Rachit Prints has a presence in the specialty fabric segment, particularly for the mattress industry. Its focus on high-quality knitted, printed, and warp-knit fabrics strengthens its position in this niche market.
- **Comprehensive In-house Production:** With a manufacturing unit in Meerut, the company manages all production stages—designing, weaving, printing, and finishing—internally, which enables it to maintain strict quality standards.
- **Offline Distribution Model:** The offline distribution approach supports direct connections with customers, allowing for solutions to meet specific fabric requirements and fostering strong customer relationships.

### *Weaknesses*

- **Limited Product Diversification:** While the company has a focus on mattress fabrics, its specialization might restrict expansion opportunities in other home textile or broader fabric markets.
- **High Raw Material Costs:** Raw material expenses have risen in recent years, constituting a major portion of operational costs. This reliance on raw materials impacts profitability, particularly when material prices fluctuate.

### *Opportunities*

- **Growing Demand for Quality Home Textiles:** The increasing demand for quality and durable fabrics within the mattress industry offers potential for expansion. By aligning with trends in comfort and sustainability, Rachit Prints can attract more customers in this sector.
- **Focus on Energy Efficiency:** A recent decrease in power and fuel expenses suggests opportunities for further cost-saving measures. Energy-efficient practices could enhance profit margins and improve sustainability.

### *Threats*

- **Intense Market Competition:** The textile industry is highly competitive, with several established players like Welspun India Ltd, Sleepwell and Kurlon. Rachit Prints faces challenges from other fabric suppliers with broader product portfolios or advanced technology in fabric production.



- Economic and Market Volatility: Fluctuations in raw material prices, particularly yarn and chemicals, can impact the company's profitability. Additionally, any downturn in the mattress or home textile sector could affect revenue.

### Financial Key Performance Indications

(Rs. in lakhs)

Key Financial Performance	For the Financial year ended March 31		
	2025	2024	2023
Revenue from Operations	4,170.32	3,708.26	3,232.21
Total Income	4,178.43	3,711.11	3,238.75
EBITDA	722.78	427.17	200.84
EBITDA Margin	17.33%	11.52%	6.21%
PAT	456.18	202.99	32.30
PAT Margin	10.94%	5.47%	1.00%
Operating cash flow	46.03	918.71	(136.97)
Net worth	1,230.91	546.25	343.26
Net Debt	881.39	634.20	1,458.58
Debt Equity Ratio	0.75	1.17	4.31
ROCE (%)	29.61	27.98	6.41
ROE (%)	51.34	45.64	9.87

### Operational Key Performance Indications

Key Indicators	FY 2025	FY 2024	FY 2023
Rejection/Goods return (%)	0.28	0.77	0.50
Loyal customer base in top 10 customers (relationship more than 10 years)	7	7	7



## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statement that involve risks and uncertainties. You should read chapter titled “Forward Looking Statements” beginning on page 18 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read chapters titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 29 and 210, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular financial year are to the twelve months ended March 31 of that year.*

*We have, in this Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Information, and may not have been subjected to an audit or review by our Statutory Auditor. For further information, please refer to the chapter titled “Restated Standalone Financial Statements” beginning on page 201. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Red Herring Prospectus.*

*Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2025, Fiscal 2024 and Fiscal 2023, included herein is derived from the Restated Standalone Financial Statements, included in this Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to “we” or “us” mean Rachit Prints Limited. For further information, relating to various defined terms used in our business operations, please refer to the chapter titled “Definitions and Abbreviations” beginning on page 02.*

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from publicly available information as well as industry publications and other sources for more information, please refer to the chapter titled “Our Industry” beginning on page 115.*

### OVERVIEW

Our Company Rachit Prints Limited Formerly known as Rachit Prints Private Limited was established in the year 2003 and is engaged in the business of manufacturing of knitted and printed fabric for the mattress industry. We distribute our product by offline model, and have developed a sustainable business model over the period.

Our Promoter, Mr. Anupam Kansal has more than three decades of experience in the textile and apparel industry and our Promoter, Ms. Naina Kansal has two decades of experience in the line of Manufacturing of Speciality Fabric for textile industry that equips her with the necessary knowledge and skills to contribute effectively to the strategic decision-making processes within the company. Prior to incorporation of our Company, our promoter Mr. Anupam Kansal was engaged in the business of printing and manufacturing clothes under the name M/s Rachit Prints a partnership firm. During the year 2003, our Promoters incorporated Rachit Prints Private Limited and taken over the business of M/s Rachit Prints and expanded its product portfolio by setting up of automated manufacturing facility to manufacture customized and specialised textile. Our Company manufactures and sells its products in states like Assam, Delhi, Gujrat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Punjab, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal.

We are engaged in the manufacturing of Speciality fabric tailored for mattresses such as knitted fabric, printed fabric, warp knit, pillow fabric, Binding Tape and trading of the comforters and bedsheets. Our production process begins with yarn procurement and encompasses inhouse weaving, designing, printing, and finishing, resulting in knitted and printed fabrics crafted to meet our clients' customized specifications. Specializing in knitted Fabrics,



printed Fabrics, and warp knit, we source yarn and chemicals to produce specialized textiles. Our Company is specialised in converting yarn into fabric through knitting of fabrics and printing.

Our raw material is ‘Cotton yarn’, ‘Viscose’, ‘Spun’, ‘Filament’ and ‘Dyed Yarn’ procured from Delhi and Haryana from which we produce fabric. We primarily follow a B2B (business-to-business) model for our products. Our customers buy the printed fabric and knitted fabric from us in order to further sell them or produce. We produce our products for leading brands like Sleepwell, Kurlon Enterprise Limited and Prime Comfort Products Private Limited. Majority of our work is on order basis. After an order is received, we send it to the factory to analyse the required raw material specification, designs and manufacturing specifications to have an idea about the raw materials available and raw materials needed to process the order in time. After checking the calculation for the balance raw materials needed, we make them available for our factory workers to initiate the production. Once, the production gets completed we approve the quality and designs and then work towards the finishing of complete order.

#### PLACE OF BUSINESS OF OUR COMPANY

Purpose	Area (in Sq. ft.)	Address
Registered Office & Manufacturing Plant	30,625	<b>Rachit Prints Limited</b> B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, Uttar Pradesh-250103, India.

#### *Registered Office and Manufacturing Facility of our Company.*

Our manufacturing facility is well equipped with Indian, German, and Chinese machineries, other handling equipment’s to facilitate smooth manufacturing process and easy logistics. We endeavour to maintain safety in our premises by adhering to key safety norms. For further details, please refer to the heading titled “Our Machineries” on page 154.

Our Promoters manage and control the major affairs of our business operations with their considerable experience in our Industry. We believe our success is the result of sustained efforts over the years in key aspects of our business, such as product portfolio, process improvements and increased scale of operations. For more details, please refer to the chapters titled, “Our Management” and “Our Promoters and Promoter Group” beginning on pages 177 and 192, respectively.

Our Promoters believe in the ideology of continuous improvement and development. We endeavour to satisfy customers by continuous improvement through process improvement. We focus on producing a product that will satisfy customer’s requirements and develop a positive brand image in the industry. Our management and team have enabled us to maintain continuing customer relations, ensuring repeat order flows. We aim to grow our business as a distinguished name in industry.

The experience and trade relations developed by our promoters and management have been one of the key instrumental factors in the growth of our Company. Our promoters have adequate experience in our industry and they look after the strategic as well as day to day business operations. Our Promoters believe in the ideology of continuous improvement and development.

#### KEY PERFORMANCE INDICATORS OF OUR COMPANY

*(Rs. in Lakhs)*

Key Financial Performance	For the financial year ended on March 31		
	2025	2024	2023
Revenue from Operations <sup>(1)</sup>	4,170.32	3,708.26	3,232.21
Total Income <sup>(2)</sup>	4,178.43	3,711.11	3,238.75



EBITDA <sup>(3)</sup>	722.78	427.17	200.84
EBITDA Margin <sup>(4)</sup>	17.33%	11.52%	6.21%
PAT	456.18	202.99	32.30
PAT Margin <sup>(5)</sup>	10.94%	5.47%	1.00%
Operating cash flow	46.03	918.71	(136.97)
Net worth <sup>(6)</sup>	1,230.91	546.25	343.26
Net Debt <sup>(7)</sup>	881.39	634.20	1,458.58
Debt Equity Ratio <sup>(8)</sup>	0.75	1.17	4.31
ROCE (%) <sup>(9)</sup>	29.61%	27.98%	6.41%
ROE (%) <sup>(10)</sup>	51.34%	45.64%	9.87%

<sup>1)</sup> Revenue from operation means revenue from sales and other operating revenues.

<sup>2)</sup> Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.

<sup>3)</sup> EBITDA means Profit before depreciation, finance cost, tax and amortization after deducting other income.

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

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

<sup>6)</sup> 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 profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.

<sup>7)</sup> Net debt = Long-Term Borrowing + Short-Term Borrowing – Cash and Cash Equivalent.

<sup>8)</sup> Debt equity ratio means ratio of total debt (long term borrowing plus short-term borrowing including current maturity of long-term debt) and Equity Share capital plus other equity.

<sup>9)</sup> Return on Capital Employed is ratio of EBIT (excluding other income) and Capital Employed. Capital Employed is calculated as Total Shareholder's Equity + Long Term Borrowing + Short-Term Borrowing.

<sup>10)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.

#### Explanation of KPIs:

KPI	Explanations
<b>Revenue from Operations</b>	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
<b>Total income</b>	Total income is used by the management to track revenue from operations and other income.
<b>EBITDA</b>	EBITDA provides information regarding the operational efficiency of the business.
<b>EBITDA Margin (%)</b>	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
<b>PAT</b>	Profit after tax provides information regarding the overall profitability of the business.
<b>PAT Margin (%)</b>	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
<b>Operating Cash Flows</b>	Operating cash flows activities provides how efficiently our company generates cash through its core business activities.
<b>Net Worth</b>	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.
<b>Net Debt</b>	Net debt helps the management to determine whether a company is over leveraged or has too much debt given its liquid assets
<b>Debt-equity ratio (times)</b>	The debt to equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.
<b>ROE (%)</b>	ROE provides how efficiently our Company generates profits from shareholders' funds.



<b>ROCE (%)</b>	<i>ROCE provides how efficiently our Company generates earnings from the capital employed in the business.</i>
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### **Reasons for changes in financials:**

#### **FISCAL 2025**

The revenue from operations increased by Rs. 462.06 Lakhs or 12.46% to Rs. 4,170.32 Lakhs for the Fiscal 2025 as compared to Rs. 3,708.26 Lakhs for Fiscal 2024. This is primarily due to increase in demand in domestic market.

As per the Restated Standalone Financial Statements, our profit after tax increased by Rs. 253.19 Lakhs to Rs. 456.18 Lakhs for Fiscal 2025 as compared to Rs. 202.99 Lakhs for Fiscal 2024, for further information in respect of changes in profits, kindly refer to the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 210.

#### **FISCAL 2024**

Our revenue from operations increased by Rs. 476.05 Lakhs or 14.73% to Rs. 3,708.26 Lakhs for Fiscal 2024 as compared to Rs. 3,232.21 Lakhs for Fiscal 2023. This increase in revenue from operations was primarily healthy product demand and favourable market dynamics.

As per the Restated Standalone Financial Statements, our profit after tax increased by Rs. 170.69 Lakhs or 528.51% to Rs. 202.99 Lakhs for Fiscal 2024 as compared to Rs. 32.30 Lakhs for Fiscal 2023, for further information in respect of changes in profits, kindly refer to the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 210.

## **OUR COMPETITIVE STRENGTHS**

### **1. Well experienced Management Team**

Our Promoter, Mr. Anupam Kansal has more than three decades of experience in the textile and apparel industry and our Promoter, Ms. Naina Kansal has two decades of experience in the line of Manufacturing of Speciality Fabric for textile industry that equips her with the necessary knowledge and skills to contribute effectively to the strategic decision-making processes within the company. Prior to incorporation of our Company, our Promoter Mr. Anupam Kansal was engaged in the business of printing and manufacturing clothes under the name M/s Rachit Prints a partnership firm. During the year 2003, our Promoters incorporated Rachit Prints Private Limited and taken over the business of M/s Rachit Prints and expanded its product portfolio by setting up of automated manufacturing facility to manufacture customized and specialised textile. Our Company manufactures and sells its products in states like Assam, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Rajasthan and West Bengal.

### **2. Advanced Knitting Technology**

We have a set of automatic machinery for printing and dyeing also, set of imported German and Chinese machinery for circular knitting i.e. Mayer & Cie High Speed Circular Knitted, Mayer & Cie Circular Knitting Machine Model OVJA 1.6 Em 38 Diameter 20 Gauge, 2015 Years, 38"X20gx72f High Speed Double Jersey which helps in customization of the products, these machineries are fully automated in which the requisite designs are uploaded as per the requirement of the customer, which makes the weaving process faster and feasible. Currently we have 18 advanced knitting technology attached machineries. We believe our investment in these machineries will not only help to cater the growing demand from our customer but has also helped us to improve our functional efficiencies. For further details, please refer to the heading titled “Our Machineries” on page 154.



### 3. Government Incentive

We are located in the state of Uttar Pradesh and enjoy the benefits of subsidies under the “Amended Technology Upgradation Fund Scheme” (“ATUFS”) provided by the Government of India and Ministry of textiles towards Capital Investment Subsidy, it has been released after physical verification and certification. The Capital Investment Subsidy is released in full in one go on eligible investments made by unit. It will help us to expand the Company & also help us to manage cashflows related to capital expenditures.

### 4. Sustained Alliances

We focus on building sustained and long - term relationships with our clients as well as suppliers. We are only engaged in the B2B Business model, we have executed Memorandum of understanding with Sheela Foam Limited and Kurlon Enterprise Limited dated March 20, 2025 for supply of 3,00,000 meters of Printed Fabric and 13,00,000 meters of Circular Knit Fabric. We believe that our existing relationship and goodwill serves as a competitive advantage in gaining new clients and increasing our business with existing clients, will constantly try to cater needs of customers.

The below table shows list of our top 10 customers and the association of our Company with them:

(Rs. in lakhs)

For the Financial year ended on March 31, 2025			
Particulars	Quantity (in Meters)	Revenue	% of Revenue from Operations
Sheela Foam Limited*	14,33,359	1,498.01	35.92
Customer 2	7,57,141	908.88	21.79
Kurlon Enterprise Limited*	6,52,867	595.03	14.27
Prime Comfort Products Private Limited*	2,12,747	358.78	8.60
Customer 5	64,286	82.07	1.97
Customer 6	58,618	66.01	1.58
Customer 7	90,954	57.48	1.38
Goel Coir Foam (India) Private Limited*	85,820	55.33	1.33
Customer 9	79,979	49.14	1.18
Customer 10	37,452	39.70	0.95
<b>Total</b>		<b>3,710.42</b>	<b>88.97</b>

\*We have received the consent letters from the respective parties to disclose their name in this Red Herring Prospectus.

(Rs. in lakhs)

For the Financial Year ended on March 31, 2024			
Particulars	Quantity (in Meters)	Revenue	% of Revenue from Operations
Sheela Foam Limited*	22,19,294	1,073.75	28.96
Customer 2	6,86,927	682.13	18.39
Kurlon Enterprise Limited*	6,21,395	486.79	13.13
Prime Comfort Products Private Limited*	2,08,371	332.69	8.97
Goel Coir Foam (India) Private Limited*	1,20,861	91.04	2.46
Customer 6	83,570	86.62	2.34
Customer 7	59,199	62.96	1.7
Customer 8	59,185	39.41	1.06
Customer 9	94,003	35.83	0.97
Customer 10	1,12,23	10.11	0.27
<b>Total</b>		<b>2,901.35</b>	<b>78.24</b>



\*We have received the consent letters from the respective parties to disclose their name in this Red Herring Prospectus.

(Rs. in Lakhs)

For the Financial Year ended on March 31, 2023			
Particulars	Quantity (in Meters)	Revenue	% of Revenue from Operations
Sheela Foam Limited*	13,45,665	1,058.36	32.74
Kurlon Enterprise Limited*	7,62,387	562.34	17.4
Customer 3	3,82,310	329.06	10.18
Prime Comfort Products Private Limited*	71,102	120.99	3.74
Customer 5	1,00,547	109.14	3.38
Goel Coir Foam (India) Private Limited*	97,788	73.63	2.28
Customer 7	77,551	63.88	1.98
Customer 8	44,955	37.87	1.17
Customer 9	21,303	21.81	0.67
Customer 10	82,420	21.23	0.66
<b>Total</b>		<b>2,398.31</b>	<b>74.20</b>

\*We have received the consent letters from the respective parties to disclose their name in this Red Herring Prospectus.

#### STRENGTHS WEAKNESSES OPPORTUNITIES THREATS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Manufacturing of Speciality Fabric for mattress industry.	Non - digital Seller.	Niche Markets.	Volatility in the prices of raw material.
Decade old presence in the textile market	Core focus is mattress industry only.	Export opportunity	Change in trade policies and regulatory environment
Customization	Business is working capital intensive.	Collaborations	Economic Fluctuations.
In house preparatory for both printing and knitted fabric	-	Emerging needs for products leading to expansion	Environmental Impact.

#### OUR STRATEGIES

##### 1. Expansion and upgradation of our manufacturing facility

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand and upgrade our manufacturing capacities for existing products that we are in the process of developing and commercializing. We intend to increase our production capacity by way of installation of new machineries at our existing manufacturing facility. We believe our investment in the machineries will add on to our current installed capacity, thus, enabling us to cater to the growing demand from our customers and add new products in our existing product portfolio. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

##### 2. Enhancing our Goodwill

We would continue to associate ourselves with quality customers and supply products to their utmost satisfaction. We are highly conscious about our goodwill and intend to enhance the same by providing quality products and to



the satisfaction of the customers. Brand recognition plays an important role in our industry. Customer loyalty brands enhances the prospects of a Company in such industry.

We are in the process to register following trademark:

Trademark Certificate/ Application No.	Issuing Authority	Description of Goods and Services	Class	Status	Trademark Logo
6598355	Registrar of Trademark	Manufacture of knitted and crocheted synthetic fabrics, Textiles and textile goods, not included in other classes; bed and table covers	Class 24	Formalities Check Pass	

### 3. *Improving Functional Efficiency*

We intend to implement process improvements across our organization, streamlining internal operations, optimizing inventory management, and enhancing logistics and distribution networks. These improvements will not only strengthen our financial performance but also attract investors seeking companies with robust operational frameworks.

### 4. *Expansion of our footprints in domestic market.*

We have successfully delivered our products in around 16 states across the India. We plan to continue our strategy of diversifying and expanding our presence in these regions for the growth of our business. We are selective in expanding to new locations and look at new geographies where we can deliver quality products without experiencing significant delays and interruptions.

#### **The state wise revenue for the financial year ended on March 31, 2025:**

*(Revenue = Rs. in Lakhs)*

State	March 31, 2025	
	Revenue	%
Uttar Pradesh	1,514.87	36.33
Tamil Nadu	614.51	14.74
Himachal Pradesh	378.03	9.06
Odisha	293.73	7.04
Karnataka	196.72	4.72
Telangana	169.03	4.05
West Bengal	155.15	3.72
Maharashtra	154.98	3.72
Haryana	143.93	3.45
Gujarat	141.91	3.40
Rajasthan	126.07	3.02
Madhya Pradesh	100.18	2.40
Delhi	60.00	1.44
Punjab	13.86	0.33
Jammu & Kashmir	11.67	0.28
Assam	1.84	0.04
<b>Total</b>	<b>4,076.48</b>	<b>97.75</b>

*% of Revenue from operations.*



**The state wise revenue for the financial year ended on March 31, 2024:**

*(Revenue = Rs. in Lakhs)*

State	March 31, 2024	
	Revenue	%
Uttar Pradesh	1,029.03	27.75
Himachal Pradesh	702.31	18.94
Tamil Nadu	464.17	12.52
Odisha	228.68	6.17
Maharashtra	199.86	5.39
Telangana	190.25	5.13
Karnataka	165.69	4.47
Madhya Pradesh	139.66	3.77
West Bengal	128.40	3.46
Rajasthan	116.93	3.15
Delhi	116.46	3.14
Haryana	96.79	2.61
Jammu and Kashmir	22.60	0.61
Punjab	21.10	0.57
Gujarat	19.26	0.52
Kerala	12.89	0.35
Assam	6.52	0.18
Uttarakhand	2.71	0.07
<b>Total</b>	<b>3,663.31</b>	<b>98.79</b>

*% of Revenue from operations.*

**The state wise revenue for the financial year ended on March 31, 2023:**

*(Revenue = Rs. in Lakhs)*

State	March 31, 2023	
	Revenue	%
Uttar Pradesh	760.10	23.52
Himachal Pradesh	520.51	16.10
Telangana	297.31	9.20
Karnataka	296.24	9.17
Tamil Nadu	257.91	7.98
Odisha	192.27	5.95
West Bengal	157.60	4.88
Madhya Pradesh	143.05	4.43
Maharashtra	138.63	4.29
Rajasthan	119.69	3.70
Delhi	91.79	2.84
Gujarat	47.93	1.48
Haryana	41.36	1.28

Uttarakhand	20.73	0.64
Kerala	18.48	0.57
Jammu and Kashmir	18.15	0.56
Punjab	13.42	0.42
Bihar	0.89	0.03
<b>Total</b>	<b>3,136.06</b>	<b>97.03</b>

% of Revenue from operations.

## PRODUCT PORTFOLIO



### KINTTED FABRIC

Circular Knitted Fabric Knitted Fabric made by polyester yarns, it is used for home furnishing and mattress.



### WARP KNIT

In warp knitted fabric the loops interlock vertically along the length of the fabric.



### PRINTED FABRIC

Polyester printed fabric mattress these are made by employing the advanced printing techniques



### COMFORTER

It is a single-piece unit composed of a fabric shell surrounding soft, warm fill. Comforters usually lie on top of a flat sheet or blanket.



### BINDING TAPE

Binding tape is used in mattress for bind the mattress, these tapes available in different colour and design



### FLAME RESISTANT FABRIC

Fibers that naturally resist burning when exposed to flames, whereas flame-retardant fabrics are treated with chemicals to make them resistant to fire, essentially extinguishing any flame that strikes them

Binding tape, also known as the “mattress tape,” is a specialized product manufactured by the Company as part of our portfolio and sold independently in the market, contributing significantly to the revenue stream. Its primary purpose is to cater to the needs of the mattress manufacturing industry by providing both functional and aesthetic solutions.

### Uses and Purpose of manufacturing the Binding Tape

#### a. Functional Role:

**Edge Protection:** Binding tape is used to secure and reinforce the edges of mattresses, particularly at the seams where the top, bottom, and side panels meet. This prevents fraying and ensures that internal components such as foam, springs, or padding remain securely enclosed.

**Structural Integrity:** The tape enhances the overall durability of mattresses, minimizing the risk of fabric unravelling or structural degradation over time.

#### b. Aesthetic Role:

**Visual Appeal:** Binding tape adds a polished look to the mattresses. Available in various colours, patterns, and finishes, it enhances the product’s marketability by meeting customer expectations for quality and design.

**Branding Opportunity:** Customized options such as brand logo, patterns, or specific colour schemes allow mattress manufacturers to align with their corporate identity and differentiate their products in the market.

**c. Revenue Contribution:** Binding tape is a distinct product line for the Company, serving both as a critical input for mattress manufacturers and as an independent source of revenue. By binding tape, we meet the functional and branding needs of our clients while driving sales growth and market expansion for the Company.



## PRODUCT WISE REVENUE

(Revenue = Rs. in Lakhs)

For the Financial Year ended on 31, March 2025			
Product	Quantity (In Metre)	Revenue	% of Revenue from Operations
Mattress Fabric (Knitted Fabric)	21,37,292	2,724.95	65.34
Printed Fabric (Mattress Fabric)	13,21,741	801.73	19.22
Warp knit Fabric	3,24,259	322.25	7.73
Pillow Fabric	3,30,497	186.01	4.46
F R Fabric	40,275	35.99	0.86
Binding Tape for Mattress	5,16,928	15.76	0.38
Comforter and Bedsheet (Qty in Pcs)	713	4.31	0.10
<b>Total</b>		<b>4,090.82</b>	<b>98.09</b>

(Revenue = Rs. in Lakhs)

For the Financial Year ended on March 31, 2024			
Product	Quantity (in Metre)	Revenue	% of Revenue from Operations
Mattress Fabric (Knitted Fabric)	16,93,979	2,215.48	59.74
Printed Fabric (Mattress Fabric)	18,84,073	1,124.97	30.34
Pillow Fabric	3,58,330	210.16	5.67
Warp knit Fabric	1,12,410	78.09	2.11
Binding Tape for Mattress	15,00,623	43.75	1.18
Comforter and Bedsheet (Qty in Pcs)	5,267	25.94	0.70
F R Fabric	8,040	9.86	0.27
<b>Total</b>		<b>3,708.26</b>	<b>100.00</b>

(Revenue = Rs. in Lakhs.)

For the Financial Year ended on March 31, 2023			
Product	Quantity (in Metre)	Revenue	% of Revenue from operations
Mattress Fabric (Knitted Fabric)	12,79,536	1,477.10	45.70
Printed Fabric (Mattress Fabric)	32,66,677	1,448.18	44.80
Pillow Fabric	2,54,496	140.73	4.35
Warp knit Fabric	1,37,288	92.47	2.86
Comforter and Bedsheet (Qty in Pcs)	14,562	66.17	2.05
Binding Tape for Mattress	2,47,617	7.57	0.23
<b>Total</b>		<b>3,232.21</b>	<b>100.00</b>

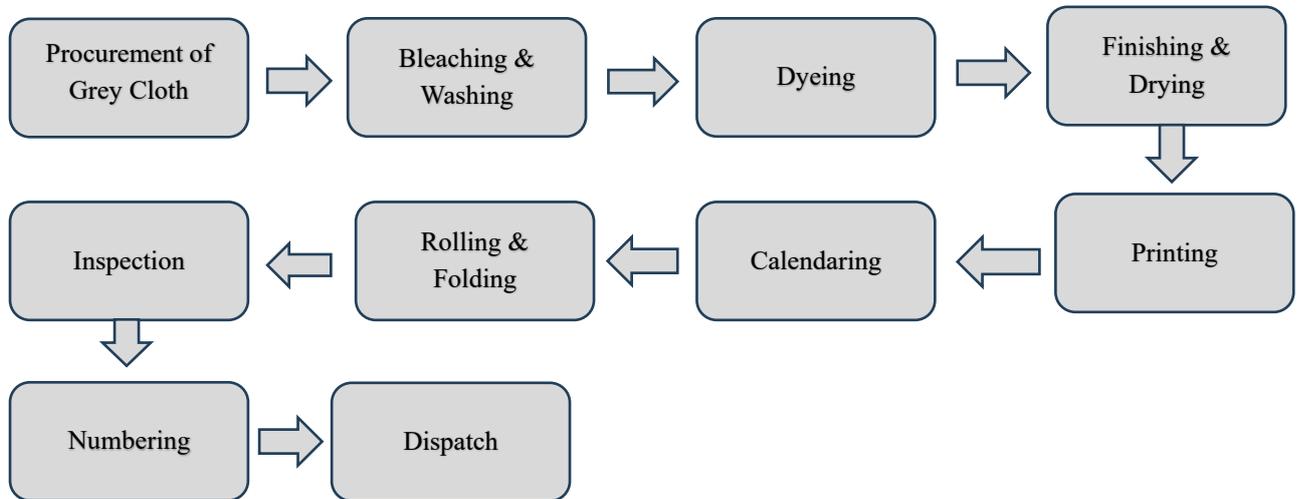
## MANUFACTURING PROCESS

Automatic machinery and equipment are employed for printing of the fabric and set of High - tech German and Chinese and Indian machineries like Mayer & Cie High Speed Circular Knitted, Mayer & Cie Circular Knitting Machine Model OVJA 1.6 Em 38 Diameter 20 Gauge, 2015 Years i.e , 38"X20gx72f High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine with all Standard Accessories Model No Hx-22 38" 72F Machine No Hx-1463, 1464, 1465, 1466, 1467 are used for Circular Knitting and fully automatic Flat Bed Printing Machine Model No – I GB SR No –36/2015-16 is used for Printing of the fabric. Technicians are trained to execute the process and deliver the final product as per customer requirements for each order. Our Company goes out of its way to ensure that customers' needs are met. Process encompasses numerous steps, each



contributing to the final product's quality and durability. Below is an overview of the key stages involved in the printing and knitting of the fabric:

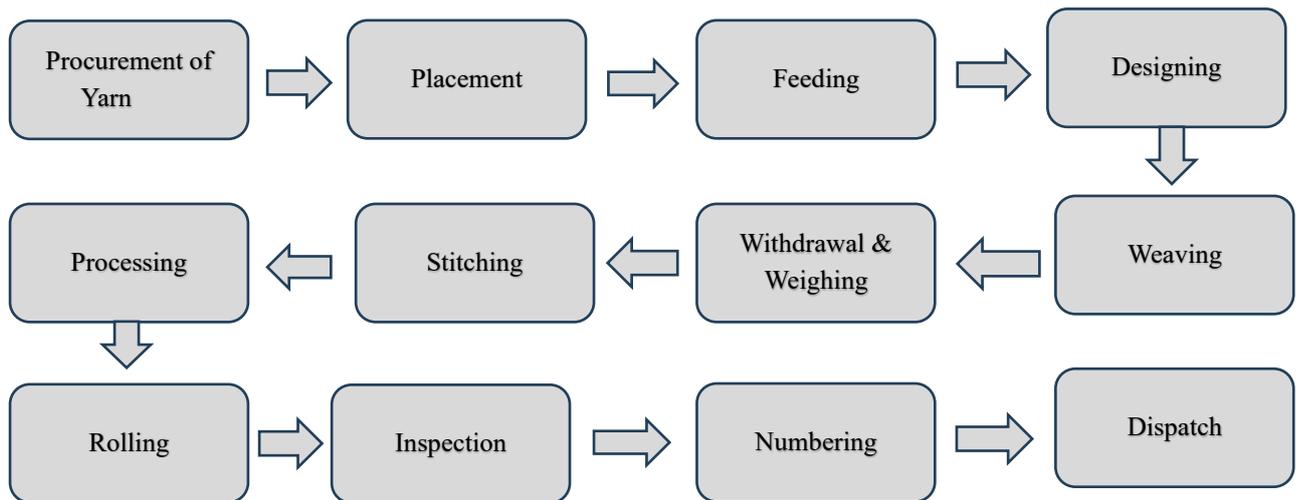
### PRINTING OF FABRIC



### DESCRIPTION OF PRINTING OF FABRIC

1. **Procurement of grey fabric:** The process begins with purchase of grey fabric from the weaver as per desired quantity and quality.
2. **Bleaching and Washing:** next step is removal of impurities by chemical treatment and caustic soda this process is known as washing or Bleaching.
3. **Dyeing:** After washing of the grey fabric, it is sent to dyeing mill for dyeing, fabric is dyed as per the requirement of the customer.
4. **Finishing & Drying:** The Dyed fabric will be sent for drying in our inhouse stenter machine.
5. **Printing:** After dyeing as per customers specification, the dyed Fabric is sent for printing by flat belt machine.
6. **Calendaring:** The fabric is passed between calendar rollers at high temperatures and pressures.
7. **Rolling and Folding:** The fabric is rolled & folded and sent for inspection.
8. **Inspection:** This is the quality control and final inspection of the fabric, once it passes the minimum quality requirement, it is forwarded for numbering.
9. **Numbering:** Each printed fabric roll will be assigned a unique number.
10. **Dispatch:** In this process final approved quality fabric is rolled in a tube form and packed for the dispatch purpose.

## **CIRCULAR KNITTING**



**Circular Knitting:** It is a specialized type of knitting in round form using needles arranged in circular configuration which creates a fabric in form of seamless tubes.

### **DESCRIPTION OF KNITTING OF FABRIC**

1. **Procurement of Yarn:** The process begins with purchasing viscose yarn or cotton yarn or spun or filament from spinning mills and yarn traders as per desired specification of desired quantity and quality.
2. **Placement:** The yarn procured from yarn traders will be placed in the creel according to colour and design.
3. **Feeding:** Feeding the yarn in the feeder as per the colour.
4. **Designing:** The setting of the machinery will be done and desired design and GSM will be uploaded.
5. **Knitting:** Once the feeding completes and the machinery is set, process of weaving of the knit begins.
6. **Withdrawal & Weighing:** The fabric will be withdrawn from the roll and will be weighed.
7. **Stitching:** After the withdrawal, stitching of the fabric will begin.
8. **Processing:** The knitted fabric will be sent to stanter machine for processing.
9. **Rolling:** After processing the knitted fabric will be rolled in tube form, sent for inspection.
10. **Inspection:** This is the quality control and final inspection of the fabric, once it passes the minimum quality requirement, it is forwarded for numbering.
11. **Numbering:** Each knitted roll will be assigned a unique number.
12. **Dispatch:** In this process final approved quality fabric is rolled in a tube form and packed for the dispatch purposes.



## OUR MACHINERIES

We have constantly invested and upgraded our machineries and equipments which has aided us in providing quality output for our clients. Our manufacturing unit has a set of machineries which have been imported from Germany, China and for printing we are employing set of which has aided in faster and quality production.

In FY 2024 – 2025, our Company increased its capacity by adding 6 set of High-Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine.

Description of Machinery	Origin Country	Original or Second Hand	Real picture of Machinery
Mayer & Cie High Speed Circular Knitted	Germany	1 <sup>st</sup> Hand	
Mayer & Cie Circular Knitting Machine Model OVJA 1.6 Em 38 Diameter 20 Gauge, 2015 Years with Standard Accessories Machine No: 68055.	Turkey	2 <sup>nd</sup> Hand	
Automatic Shuttleless N/W High Speed loom jyw10/45B	India	1 <sup>st</sup> Hand	

<p>Crochet Machine Model No. JYG762/B8-A-15G</p>	<p>India</p>	<p>1<sup>st</sup> Hand</p>	 <p>Meerut, Uttar Pradesh, India 812, 50909 Purani, Partapur, Meerut, Uttar Pradesh 250103, India Lat 28.916855° Long 77.654065° 09/07/2025 04:24 PM GMT +05:30</p>
<p>Warping Machine JY-J400B-12, 12" with 168 CREEL, Table Winding with Aluminium Beam 12</p>	<p>India</p>	<p>1<sup>st</sup> Hand</p>	 <p>Meerut, Uttar Pradesh, India 812, 50909 Purani, Partapur, Meerut, Uttar Pradesh 250103, India Lat 28.916816° Long 77.654074° 07/19/2025 12:09 PM GMT+05:30 Note : Captured by GPS Map Camera</p>
<p>Mayer and CIE Circular Knitting Machine Model OVJA 2.4E</p>	<p>Germany</p>	<p>1<sup>st</sup> Hand</p>	 <p>Meerut, Uttar Pradesh, India 812, 50909 Purani, Partapur, Meerut, Uttar Pradesh 250103, India Lat 28.916860° Long 77.654834° 07/19/2025 11:51 AM GMT+05:30 Note : Captured by GPS Map Camera</p>
<p>High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine</p>	<p>China</p>	<p>1<sup>st</sup> Hand</p>	 <p>Meerut, Uttar Pradesh, India 812, 50909 Purani, Partapur, Meerut, Uttar Pradesh 250103, India Lat 28.916762° Long 77.654830° 07/18/2025 03:50 PM GMT+05:30 Note : Captured by GPS Map Camera</p>



<p>High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine</p>	<p>China</p>	<p>1<sup>st</sup> Hand</p>	
<p>38"X20gx72f High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine with all Standard Accessories Model No Hx-22 38" 72F Machine No Hx-1463, 1464, 1465, 1466, 1467</p>	<p>China</p>	<p>1<sup>st</sup> Hand</p>	
<p>Fully Automatic Flat Bed Printing Machine Model No – I GB SR No –36/2015-16</p>	<p>India</p>	<p>1<sup>st</sup> Hand</p>	
<p>HThP Soft Flow Dyeing Machine</p>	<p>India</p>	<p>1<sup>st</sup> Hand</p>	

*\*We have only Mayer & Cie Circular Knitting Machine Model OVJA 1.6 Em 38 Diameter 20 Gauge, 2015 Years with Standard Accessories Machine No: 68055 that is 2<sup>nd</sup> hand and High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine for Circular Knitting that is 1<sup>st</sup> hand.*



## CAPACITY AND CAPACITY UTILISATION

Capacity Utilizations	Item	March 31, 2025- (in Metre)	March 31, 2024 (in Metre)	March 31, 2023 (in Metre)
<b>Installed Capacity (In Meter)</b>	Knitted Fabric	18,85,000	15,60,000	12,80,400
	Printed Fabric	30,24,000	30,24,000	30,24,000
	Pillow Fabric	24,05,000	24,05,000	24,05,000
	Warp knit Fabric	2,75,000	2,75,000	2,75,000
	Binding Tape	20,00,000	20,00,000	10,00,000
<b>Actual Utilizations (In Meter)</b>	Knitted Fabric	18,85,000	15,60,000	12,20,676
	Printed Fabric	11,49,140	15,50,246	20,17,849
	Pillow Fabric	3,28,112	3,58,329	7,54,496
	Warp knit Fabric	1,92,514	1,27,003	1,34,242
	Binding Tape	4,88,202	18,84,573	2,37,217
<b>% Utilization</b>	Knitted Fabric	100.00	100.00	95.34
	Printed Fabric	38.00	51.26	66.73
	Pillow Fabric	13.64	14.90	31.37
	Warp knit Fabric	70.01	46.18	48.82
	Binding Tape	24.41	94.23	23.72

As certified by Garg & Associates, Chartered Engineer dated July 25, 2025.

## UTILITIES

### Raw Material

Yarn is the most vital raw material used in our manufacturing process for our knitted fabrics. We use yarn as major input apart from machinery for processing. We procure yarn of reputed manufacturers from their local agents. We ensure that the quality of all our raw materials is maintained in order for them to help us manufacture quality fabric. In our manufacturing process the products are passed through several processing stages, which enhances the appearance, durability and serviceability of the fabric and makes the fabric worth of targeted end use making.



### Our Top 10 Suppliers are as under:

For the FY 2024 - 2025			
Particulars	Quantity (in Metre)	Purchases (Rs. in Lakhs)	% of Purchase of Raw Material
Supplier 1	5,14,970	693.84	26.66
Supplier 2	95,7,018	301.70	11.59
Supplier 3	2,01,308	278.23	10.69
Supplier 4	1,29,096	263.82	10.14
Supplier 5	1,50,084	217.99	8.38
Supplier 6	2,33,216	113.75	4.37
Supplier 7	60,107	94.80	3.64
Supplier 8	2,08,100	84.06	3.23
Supplier 9	50,110	70.03	2.69
Supplier 10	1,19,859	57.51	2.21
<b>Total</b>		<b>2,175.73</b>	<b>83.61</b>



For the FY 2023 -2024			
Particulars	Quantity (in Metre)	Purchases (Rs. in Lakhs)	% of Purchase of Raw Material
Supplier 1	3,08,808	360.86	17.00
Supplier 2	7,87,800	225.51	10.62
Supplier 3	1,51,755	201.23	9.48
Supplier 4	1,12,341	168.31	7.93
Supplier 5	2,54,567	164.48	7.75
Supplier 6	2,54,567	106.01	4.99
Supplier 7	8,66,100	96.31	4.54
Supplier 8	43,918	93.01	4.38
Supplier 9	28,205	44.18	2.08
Supplier 10	84,170	6.17	0.29
<b>Total</b>		<b>1,466.07</b>	<b>69.06</b>

For the FY 2022-23			
Particulars	Quantity (in Metre)	Purchases (Rs. in Lakhs)	% of Purchase of Raw Material
Supplier 1	9,05,301	274.72	12.67
Supplier 2	2,00,719	261.42	12.05
Supplier 3	3,66,632	222.17	10.24
Supplier 4	2,98,441	161.81	7.46
Supplier 5	83,526	137.39	6.34
Supplier 6	7,51,680	106.31	4.90
Supplier 7	1,91,086	97.76	4.51
Supplier 8	13,804	49.75	2.29
Supplier 9	79,026	26.89	1.24
Supplier 10	5,576	17.95	0.83
<b>Total</b>		<b>1,356.17</b>	<b>62.54</b>

### **Power**

Our manufacturing process requires uninterrupted supply of Electric & Power for our manufacturing facility. We consume a substantial amount of power and fuel for our business operations. Our power requirements are met from Pashchimanchal Vidyut Vitran Nigam Limited, for our manufacturing facility and registered office, we have been sanctioned 270 kw for running our manufacturing facility.

### **Water**

Our manufacturing unit processes the grey cloth as per the customer requirements, therefore the water is mainly used for processing dyeing, chemical preparation, finishing and in boiler etc. The unit has one borewell of 7.5HP which is equipped with magnetic flow metre for recording of the volume of fresh water extracted. The fresh water is collected from reservoir tank of capacity 35 m<sup>3</sup> and distributed to different sections as per the requirement of process.



### ***Effluent Treatment Plant***

Our Company has a full - fledged Effluent Treatment Plant (“ETP”) at the existing Unit. The salient features of the existing ETP are as under:

1. Collection Tank with mixing device: For uniform and regular feeding to flash mixer tank.
2. Flash Mixer Tank: For removal of colour.
3. Primary Tube settler: For removal of suspended solids and chemical sludge.
4. Aeration Tank: For decomposition of biodegradable organic matter so as to reduce COD and BOD load
5. Secondary Tube settler: For removal as well as recirculation of biological biomass
6. Sludge Drying Beds: for dewatering of ETP sludge.
7. Tertiary Treatment system: for polishing of biologically treated effluents.
8. Online Continuous Effluent Monitoring System (OCEMS): pH, TSS, COD, BOD and Flow are monitored.

### ***Fuel***

Fuel Utilised in manufacturing process approx. 10- 11.59 lakh biofuel briquettes per month.

### ***Labour***

The skilled and semi- skilled labour required for the existing Unit are sourced locally and abundant labour are available.

### ***Dyes and Chemicals***

The other raw materials required for our current and expanded capacities include dyes and chemicals required for printing the colour designs on the processed grey cloth.

## **SALES AND MARKETING**

Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our marketing team is led by Mr. Anupam Kansal, holding 3 decades of experience and goodwill in textile industry who is responsible for the overall marketing strategies. The marketing team taps the various entities through the direct marketing approach. Our team through their vast experience owing to timely and quality delivery of services plays an instrumental role in creating and expanding a work platform for our Company.

## **INVENTORY MANAGEMENT**

Our finished products and raw materials are primarily stored on-site at our manufacturing facility. We have inhouse godown i.e. a specific area identified by the Company as godown, which is located in the premise of the manufacturing unit situated at B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, Uttar Pradesh-250103, India, which has been taken on lease by our Company, where we stock raw materials for manufacturing operations and finished goods are stored. The packed finished goods are quality checked and weighed post which lot numbers are assigned to them. There are stacks to store the fabrics and maintain the location for easy dispatch of our finished goods. We maintain a racking system in our raw material godown for systematically storing fabric and chemicals.

## **LOGISTICS**

Our suppliers directly deliver raw materials to our manufacturing facility. We outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided between the customer and Company. We do not enter into any formal contracts rather we finalise delivery companies on the



basis of pricing mechanism pursuant to which such companies undertake the delivery of products to our consumers. We instruct the delivery companies to collect products from our manufacturing facility and deliver to our consumers in accordance with their orders.

## COMPETITION

The market in which we operate is unorganized and fragmented with many small and medium-sized entities. We do not face substantial competition for our products from other manufacturers in domestic market. Our competition varies for our products and regions. We compete with other manufacturers on the basis of product range and product price including factors, based on reputation, regional needs and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals.

## REPAIR AND MAINTAINANCE

We conduct weekly repair and maintenance programs for our manufacturing facility. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plant and machineries on as needed basis. In addition, our manufacturing facility is periodically inspected by our technicians.

## QUALITY CONTROL

Our Company has inhouse quality management systems which ensures the quality and at all steps from procurement till dispatch. We have established a quality control team of 6 masters which has the responsibility to ensure compliance with manufacturing practices. Before commencement of the manufacturing process, the materials purchased by our Company have to undergo a quality check, to ensure that they are of relevant quality and match the standards as specified. The finished products are tested, done by our in-house team to ensure that the same is of relevant standards and design as specified by the customer to achieve the norms of self- certification; the products are then packed and dispatched.

## ENVIRONMENT, HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, please refer the chapter titled "*Key Industry Regulations and Policies*" beginning on page 164. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations. We have complied and will continue to comply with all applicable environmental and associated laws, rules and regulations. We have obtained all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, please refer the chapter titled "*Government and Other Statutory Approvals*" beginning on page 232.

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled/ semi-skilled/ unskilled resource together with our management team have enabled us to implement our growth plans.



The following table sets forth a breakdown of our employees by function as on June 30, 2025:

Department	Pay Roll		Of Roll	Total Employees
	Skilled	Unskilled		
Manufacturing	34	6	23	63
Sales & Marketing	4	-	-	4
Quality Control	5	1	-	6
<b>Human Resource Secretarial and Admin</b>	-	-	-	0
a) Human Resource	4	-	-	4
b) Secretarial	1	-	-	1
c) Admin	3	-	-	3
d) Finance (Female)	6	-	-	6
Material (Purchase, Store & Dispatch)	3	3	-	6
Labour And Helper Female	-	3	-	3
<b>Total</b>	<b>60</b>	<b>13</b>	<b>23</b>	<b>96</b>

#### EXPORT AND EXPORT OBLIGATION

Our Company's export activities are currently limited to Kathmandu, Nepal. While the primary focus remains on the domestic market, this export arrangement represents our initial step in expanding beyond national boundaries. Please find below the details of the export for the last three financial years:

(Rs. in Lakhs)

Name of the Country	FY March 31, 2025	FY March 31, 2024	FY March 31, 2023
Nepal	96.76	40.12	96.10

#### MAJOR KEY EVENTS, MILESTONE AND ACHIEVEMENTS OF OUR COMPANY

As on date of this Red Herring Prospectus, our Company has not achieved any major milestones. For further details, kindly refer to the chapter titled "Our History and Certain Other Corporate Matters" beginning on page 172.

#### COLLABORATIONS

As on date of this Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements.

#### CERTIFICATIONS

As on date of this Red Herring Prospectus, our Company has not received any certifications.

#### INSURANCE

Our operations are subject to various risks inherent in our industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might



not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Sr. No.	Name of the Insurance Company	Type of Policy	Policy No.	Sum Insured (Rs. in Lakhs)	Premium Paid (Rs. in Lakhs)	Validity
1	National Insurance Company Limited	National Bharat Laghu Udyam Suraksha	4607071124100003 45	1,914.84	2.09	24/12/2024 to 23/12/2025
2	The Oriental Insurance Company Limited	Burglary - Standard Policy	252400/48/2025/34 27	600.00	0.10	05/11/2024 to 04/11/2025
3	The Oriental Insurance Company Limited	Oriental Bharat Laghu Udyam Suraksha Policy Schedule	252400/11/2024/13 9	600.00	1.07	05/11/2024 to 04/11/2025
4	National Insurance Company Limited	Special Contingency Excluding Liability	2404005924100001 96	150.00	0.10	11/11/2024 to 10/11/2025
5	National Insurance Company Limited	Bundled Motor Policy	3902003124115059 8009	8.76	0.27	11/10/2024 to 11/10/2025
6	ICICI Lombard General Insurance	Motor Policy	3001/O/HY- 20346487/00/000	13.66	0.22	14/04/2025 to 13/04/2026
7	Tata AIG General Insurance Company Limited	Commercial Vehicle Package Policy Goods Carrying Vehicle	63029658350000	4.03	0.20	12/04/2025 to 11/04/2026

## PROPERTIES

We carry out our business operations from the following property:

### Leasehold Property:

Date of Lease Agreement	Lessor	Lessee	Address	Period of Lease	Purpose
March 22, 2013	UP State Industrial Corporation Limited, Kanpur	Rachit Prints Private Limited	Plot No. B – 9 to B – 11 industrial area Udyog Puram, Meerut, Uttar Pradesh - 250103	90 Years	Printing of cloth



December 19, 2024	Healing Touch Pharma Private Limited	Rachit Prints Limited	Ground Floor, E-28, Udyog Puram, Partapur, Meerut, Uttar Pradesh – 250103, India	11 Months from December 01, 2024 to October 31, 2025	Godown
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#### INTELLECTUAL PROPERTIES

Our company owns following trademark, for further details please see the chapter titled “*Government and Other Statutory Approvals*” beginning on page 232.

Sr. No.	Trademark Certificate/ Application No.	Issuing Authority	Description of Goods and Services	Class	Status	Trademark Logo
1.	6598355	Registrar of Trademark	Manufacture of knitted and crocheted synthetic fabrics, Textiles and textile goods, not included in other classes; bed and table covers	Class 24	Formalities Check Pass	



## KEY INDUSTRY REGULATIONS AND POLICIES

*The following is a summary of certain relevant laws and regulations applicable to the business and operations of our Company. Our Company's business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company's business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.*

*Under the provisions of various Central Government and State Government statutes, our Company is required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of such Government Approvals obtained by our Company in compliance with these regulations, please refer to the chapter titled "Government and Other Statutory Approvals" beginning on page 232.*

*The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.*

### INDUSTRY SPECIFIC REGULATIONS

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

The BIS Act provides for the establishment of the Bureau of Indian Standards ("BIS") for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act. BIS Standards list provides for Specification for bed sheets and textiles etc.

#### **The Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011 ("LM Rules")**

The Legal Metrology Act, 2009 Act which was brought in force in 2009 repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Act was enacted for establishing and enforcing uniform standards of weights and measures in order to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. Under the Act, every manufacturer/ importer is required to obtain the prior approval of the model of a weight or a measure from the competent authority before manufacturing or importing products/ goods, etc. which are sold or distributed by weight, measure or number. The Act further empowers the Central Government to enact rules to carry out the provisions of the Act. In this regard, the LM Rules were framed which lays down specific provisions governing the packaging and labelling of commodities. These rules are applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and registration of manufacturers, packers and importers. Also, States may frame State specific rules under the Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, stipulating the manner of notifying government authorities, fees for compounding of offences etc. Further, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications regarding verification of weights and measures specified therein by Government approved test centres.



### **The Micro, Small and Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSMED Act) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. The MSMED Act ensures that the buyer of goods makes payment to the registered enterprise within the time limit prescribed by the MSMED Act. The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (“**Council**”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

## **ENVIRONMENT LAWS AND REGULATIONS**

### **The Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986**

The Environment (Protection) Act, 1986 provides a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Act empowers the Central Government to make rules to prescribe standards/limits for matters *inter-alia* standards of quality of air, water or soil for various areas, maximum allowable limits of concentration of various environmental pollutants for different areas etc.

In exercise of powers conferred under the Environment (Protection) Act, the Central Government notified the Environment (Protection) Rules, 1986 to prescribe the standards for emission or discharge of environmental pollutants which an industry must comply with. Under the Environment Protection Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 shall submit to the concerned State Pollution Control Board a statement for that financial year in the prescribed form.

### **The Environmental Impact Assessment Notification, 2006 (“EIA Notification”)**

The EIA Notification issued under the Environment Act and the Environment Rules, as amended from time to time, mandates the prior approval of the Ministry of Environment, Forest and Climate Change, Government of India, or State Environment Impact Assessment Authority, as the case may be for the establishment of any new project, expansion or modernisation of existing projects, change of product mixes in existing manufacturing units. The EIA Notification prescribes a stage-wise approval process for obtaining environmental clearances for projects.

### **The Water (Prevention and Control of Pollution) Act, 1974 (“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 (“**CPCB**”) and the State Pollution Control Board (“**SPCB**”). 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, which is empowered to establish standards and conditions that are required to be complied with.

### **The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

The Air Act aims at 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 SPCB before 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 Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules were notified by the Government of India in exercise of the powers conferred under Sections 6, 8 and 25 of the Environment Protection Act, 1986 and by superseding the erstwhile Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008. The Hazardous Waste Rules were notified to ensure the safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of hazardous waste.

The Hazardous Waste Rules impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose any hazardous waste in the manner prescribed in the Hazardous Waste Rules. “Hazardous Waste” in this regard, means any waste, which by reason of characteristics, such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger to health, or environment. It is obligatory for each occupier and operator of any facility generating hazardous waste to obtain an approval from the relevant State Pollution Control Board for collecting, storing and treating the hazardous waste.

## **INDUSTRIAL, EMPLOYMENT AND LABOUR LAWS**

### **The Public Liability Insurance Act, 1991 (“Act”) & the Public Liability Insurance Rules, 1991**

The 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 Act has been enumerated by the government by way of a notification. Under the Act, the owner or handler is also required to take out an insurance policy insuring against liability.

In exercise of its powers conferred under Section 23 of the Act, the Government of India has notified the Public Liability Insurance Rules which mandates the employer to contribute towards the ‘Environmental Relief Fund’ with a sum equal to the premium paid on the insurance policies.

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

The Factories Act, 1948 requires the Occupier to ensure the health, safety and welfare of all workers. The Factories Act, 1948 defines a 'factory' to cover any premises which employs ten or more workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power or any premises where at least twenty workers are employed in a manufacturing process. In view of the powers conferred under the Factories Act, 1948 each State Government has enacted rules for prior approval for the establishment of factories and for registration and licensing of factories.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

- a) The Contract Labour (Regulation and Abolition) Act, 1970
- b) The Employees’ Compensation Act, 1923
- c) The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
- d) The Employees’ State Insurance Act, 1948
- e) The Industrial Disputes Act, 1947
- f) The Industrial Employment (Standing orders) Act, 1946
- g) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986
- h) The Payment of Bonus Act, 1965
- i) The Minimum Wages Act, 1948
- j) The Payment of Wages Act, 1936
- k) The Equal Remuneration Act, 1976



- l) The Maternity Benefit Act, 1961
- m) The Apprentices Act, 1961
- n) The Payment of Gratuity Act, 1972
- o) The Trade Unions Act, 1926
- p) The Sales Promotion Employees (Conditions of Service) Act, 1976
- q) The Unorganised Workers Social Security Act, 2008

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

The Code on Wages, 2019 amalgamates, simplifies and rationalises the relevant provisions of the following four central labour enactments relating to wages, namely, (a) The Payment of Wages Act, 1936; (b) The Minimum Wages Act, 1948; (c) The Payment of Bonus Act, 1965; and (d) The Equal Remuneration Act, 1976. The Code on Wages, 2019 is an Act to amend and consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. The Code received the assent of the President of India on August 8, 2019 and is published in the Official Gazette. The Code applies to the covered employees and allows the Central Government to set a fixed floor wage taking into account minimum living standards of a worker. The Code will come into force on the date to be notified by the Government.

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

Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and was published in the Official Gazette. The Act consolidates and amends the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment. The Code amalgamates, simplifies and rationalises the relevant provisions of the following thirteen Central labour enactments namely, 1. The Factories Act, 1948; 2. The Plantations Labour Act, 1951; 3. The Mines Act, 1952; 4. The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; 5. The Working Journalists (Fixation of Rates of Wages) Act, 1958; 6. The Motor Transport Workers Act, 1961; 7. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; 8. The Contract Labour (Regulation and Abolition) Act, 1970; 9. The Sales Promotion Employees (Condition of Service) Act, 1976; 10. The Inter-State Migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979; 11. The Cine Workers and Cinema Theatre Workers Act, 1981; 12. The Dock Workers (Safety, Health and Welfare) Act, 1986; and 13. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Code will come into force on the date to be notified by the Government.

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

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and was published in the official gazette. The objective of the Code is to amend and consolidate the laws relating to social security, with the primary goal to extend social security to all employees and workers. The Code on Social Security, 2020, amalgamates, simplifies and rationalises the relevant provisions of the following nine(9) central labour enactments relating to social security, namely, (i) The Employees' Compensation Act, 1923; (ii) The Employees' State Insurance Act, 1948; (iii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; (v) The Maternity Benefit Act, 1961; (vi) The Payment of Gratuity Act, 1972; (vii) The Cine Workers Welfare Fund Act, 1981; (viii) The Building and Other Construction Workers Welfare Cess Act, 1996; and (ix) The Unorganised Workers' Social Security Act, 2008. The Code will come into force on the date to be notified by the Government.

### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 is an Act to consolidate and amend the laws relating to Trade Unions, conditions of employment in an industrial establishment or undertaking, investigation and settlement of industrial disputes. The Industrial Relation Code 2020 amalgamates, simplifies and rationalises the relevant provisions of (a) the Trade Unions Act, 1926; (b) the Industrial Employment (Standing Orders) Act, 1946; and (c) the Industrial Disputes Act, 1947. The Code will come into force on the date to be notified by the Government.



### **The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986**

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 prohibits employment of children below fourteen years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. The Act regulates the conditions of work of adolescents.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 Act provides for protection to women against sexual harassment at workplace and prevention and redressal of complaints of sexual harassment. The Act defines “Sexual Harassment” to include any unwelcome sexually determined behaviour (whether directly or by implication). “Workplace” under the Act has been defined to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals.

The Act requires an employer to set up an “Internal Complaints Committee” at each office or branch of an organization employing at least 10 employees. The Government is required to set up a “Local Complaints Committee” at the district level to investigate complaints regarding sexual harassment from establishments where internal complaints committee has not been constituted.

## **INTELLECTUAL PROPERTY LAWS**

### **The Patents Act, 1970 (“Patents Act”)**

The Patents Act governs the registration and protection of patents in India. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act also provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act also prohibits any person resident in India from applying for patent for an invention outside India without making an application for the same in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

### **The Trade Marks Act, 1999 (“Trade Marks Act”)**

The Trade Marks Act governs the statutory protection of trademarks and prevents the use of fraudulent marks in India. The Trade Marks Act prohibits any registration of deceptively similar trademarks. An application for registration of a trademark may be made by an individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademarks Act also provides for penalties for infringement, falsifying and falsely applying for trademarks. The Trademarks Act has been amended to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. The Trade Marks Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

### **The Copyright Act, 1957 (“Copyright Act”)**

The Copyright Act governs and deals with copyright protection in India. Under the prevalent Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph film and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, such copyright registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the



copyrighted work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amount to an infringement of copyright.

### **The Designs Act, 2000 (“Designs Act”)**

The Designs Act consolidates and amends the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. Additionally, a design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable.

## **FOREIGN TRADE REGULATIONS**

### **Foreign Exchange Management Act, 1999 (“FEMA”)**

Foreign investment in Indian securities is governed by the provisions of the FEMA (that replaced the erstwhile Foreign Exchange Regulation Act, 1973) and the FDI policy of the Government of India. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The regulatory framework, developed over a period of time consists of Acts, regulations, press notes, press releases, and clarifications among other amendments.

### **The Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993**

The Foreign Trade (Development and Regulation) Act, 1992 and the Rules framed thereunder governing foreign trade in India. The Act provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. Under the Act the Government of India is empowered to make provisions *inter-alia* to prohibit, restrict and regulate exports and imports formulate and announce export and import policy. The Act prohibits a person from undertaking any import or export except under an Importer-Exporter Code member (IEC) unless exempted in that aspect.

### **Laws in relation to Taxation**

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations that are applicable to the operations of our Company include:

- a) Income Tax Act 1961, and the Income Tax Rules, 1962, as amended by the Finance Act in the respective years;
- b) Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-wise legislations made thereunder;
- c) The Integrated Goods and Service Tax Act, 2017; and
- d) State-wise professional tax legislations.

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

The Income Tax Act, 1961 (“**IT Act**”) is applicable to every domestic/ foreign company whose income is taxable under the provisions of the IT Act or the rules made under it, depending upon the status of its registration and the type of income involved. The IT Act provides for taxation of a person resident in India on their income and person not resident in India, on their 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.



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

Goods and Services Tax Act, 2017 (“GST”) is an indirect tax applicable throughout India which has replaced multiple cascading taxes levied by the Central and State Governments. The application of GST is governed primarily by the Central Goods and Services Tax Act, 2017; the Integrated Goods and Services Tax Act, 2017. The Parliament has the exclusive power to levy integrated GST (IGST) on Inter-State trade or commerce (including imports) in goods or services. GST is governed by a GST Council, with its Chairman being the Finance Minister of India.

## **GENERAL LAWS**

### **The Consumer Protection Act, 2019**

The Consumer Protection Act, 2019 repeals the earlier Consumer Protection Act, 1986. The Act was enacted to provide simpler and quicker access to redress consumer grievances. The Act *inter alia* seeks to promote and protect the interests of consumers against deficiencies and defects in goods or services, secure the rights of a consumer against unfair trade practices, by manufacturers, service providers and traders.

The Consumer Protection Act, 2019 also provides for the establishment of a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers and to promote, protect and enforce the rights of consumers as a class. The Act provides for settlement of disputes by way of mediation in case there is a possibility of settlement at the stage of admission of complaint or at any later stage, if acceptable to both parties. The Act contemplates a mediation cell attached to each district, state and National Commission for expedited resolution of consumer disputes.

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

The Competition Act, 2002, as amended from time to time, aims to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of the consumers and to ensure freedom of trade in India. The Competition 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. The Act establishes the Competition Commission of India (“Commission”) which is responsible for eliminating practices having adverse effect on competition, promoting and sustaining competition, protecting interest of consumers and ensuring freedom of trade.

### **The Companies Act, 2013 (“Companies Act”)**

The Companies Act, 2013, was introduced replacing the erstwhile Companies Act, 1956. The provisions of the Companies Act apply to all the companies incorporated either under this Act or under the previous law. The Companies Act deals with matters *inter-alia* incorporation of companies and the procedure for incorporation and post-incorporation along with conversion of a private company into a public company and *vice versa*. In case of public company, a company can be formed by seven or more persons and by two or more persons in case of private company. Further significant amendments have been introduced in the Companies Act on matters *inter-alia* corporate social responsibility, disclosure under board report, general meetings etc.

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

The Indian Contract Act, 1872 occupies the most important place in Commercial Law. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honored and that legal remedies are made available to those who are affected due to violation of such rights and obligations.



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

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence.

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

The Registration Act, 1908 was introduced to provide for the public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

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

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

### **Uttar Pradesh Dookan Aur Vanijya Adhistan Adhiniyam, 1962**

The provisions of the Uttar Pradesh Dookan Aur Vanijya Adhistan Adhiniyam, 1962 (Uttar Pradesh Shops and Establishments Act) regulates the working and employment conditions of the workers employed in shops and establishments and provides for fixation of working hours, leave, termination of service, and other rights and obligations of the employers and employees. The Act also provides for provisions pertaining to maternity benefits, rest intervals and provides for offences and penalties for the contravention of the various provisions of the Act.



## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as “Rachit Prints Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 31, 2003, issued by the Registrar of Companies, Kanpur. Prior to incorporation of our Company, the promoters were engaged in the business of printing and manufacturing clothes under the name M/s Rachit Prints, a partnership firm. During the year 2003, our Promoters incorporated Rachit Prints Private Limited and had taken over the business of the Partnership Firm. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting held on May 21, 2024 and the name of our Company was changed to “Rachit Prints Limited”.

A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company was issued by the Registrar of Companies, Kanpur on July 29, 2024. The Corporate Identification Number of our Company is U22190UP2003PLC027364.

The Company is engaged in the business of manufacturing of Speciality fabric tailored for mattress such as knitted fabric, printed fabric, warp knit, pillow fabric, comforters and binding Tape.

Mr. Anupam Kansal and Ms. Anita Kansal were the initial subscribers to the Memorandum of Association of our Company. As on the date of filing this Red Herring Prospectus, Mr. Anupam Kansal, Ms. Naina Kansal and Ms. Rose Kansal are the current promoters of our Company.

Our Company has 29 Shareholders as on the date of filing of this Red Herring Prospectus. For further details, please refer to chapter titled ‘Capital Structure’ beginning on page 74.

### CORPORATE PROFILE OF OUR COMPANY

For information on our Company’s profile, activities, market, growth, technology, managerial competence, major vendors and suppliers, please refer to the chapters titled “Our Business”, “Our Industry”, “Our Management”, “Restated Standalone Financial Statements” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 141, 115, 177, 201 and 210 respectively.

### ADDRESS OF THE REGISTERED OFFICE

#### Registered Office

B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, Uttar Pradesh – 250103, India.

### CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

The details of change of Registered Office of the Company are as follows:

Sr. No.	Date of Change	Shifted from	Shifted to	Reason
1.	August 20, 2009	477, Swami Para, Budhana Gate Meerut- 250002, India.	B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, Uttar Pradesh – 250103, India.	The Company after due deliberation, changed its registered office to ensure better administration and operational efficiencies, effective decision making and facilitate smoother day-to-day management of our Company.



## MAIN OBJECTS OF MEMORANDUM OF ASSOCIATION

The object clauses of the Memorandum of Association of our Company:

To take over the running business of M/s. Rachit Prints running under the Partnership of Mr. Anupam Kansal and Smt. Anita Kansal and to run the business of printing or manufacturing of clothes etc.

## AMENDMENTS TO MEMORANDUM OF ASSOCIATION

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Particulars
March 31, 2006	Extra – Ordinary General Meeting	<b>Alteration in the Capital Clause</b> Increase in Authorized Share Capital of Rs. 30,00,000 from 30,000 equity shares of face value of Rs.100 each to Rs. 95,00,000 divided into 95,000 equity shares of face value of Rs.100 each.
August 20, 2009	Board Meeting	<b>Alteration in the Registered Office Clause</b> Change of Registered office from 477, Swami Para, Budhana Gate, Meerut – 250002 to B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, Uttar Pradesh – 250103, India.
March 31, 2011	Extra – Ordinary General Meeting	<b>Alteration in the Capital Clause</b> Increase in Authorized Share Capital of Rs. 95,00,000 divided into 95,000 equity shares of face value of Rs.100 each to Rs.1,50,00,000 divided into 1,50,000 equity shares of face value of Rs. 100 each.
June 04, 2016	Extra – Ordinary General Meeting	<b>Alteration in the Capital Clause</b> Increase in Authorized Share Capital of Rs.1,50,00,000 divided into 1,50,000 equity shares of face value of Rs.100 each to Rs. 2,00,00,000 divided into 2,00,000 equity shares of face value of Rs. 100 each.
May 21, 2024	Extra – Ordinary General Meeting	<b>Alteration in the Capital Clause</b> Increase in Authorized Share Capital of Rs. 2,00,00,000 divided into 2,00,000 equity shares of face value of Rs. 100 each to Rs. 8,00,00,000 divided into 8,00,000 equity shares of face value of Rs. 10 each.
May 21, 2024	Extra – Ordinary General Meeting	<b>Alteration in the Capital Clause</b> Sub – Division of equity shares from face value of Rs. 100 each to face value of Rs. 10 each.
May 21, 2024	Extra – Ordinary General Meeting	<b>Change in Status of our Company</b> The Company vide Extra - Ordinary General Meeting held on May 21, 2024 deleted the word “Private” under relevant provisions of the Companies Act, 2013 and the name was changed to “Rachit Prints Limited” under the seal of Registrar of Companies, Kanpur, Certificate of incorporation dated July 29, 2024.

## ADOPTING NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

Our Company has adopted new set of Articles of Association on following events:

Date of Meeting	Type of Meeting	Particulars
May 21, 2024	Extra – Ordinary General Meeting	The Company vide Extra Ordinary General Meeting held on May 21, 2024 deleted the word “Private” under relevant provisions of the Companies Act, 2013 and the name was changed to “Rachit Prints



		Limited” under the seal of Registrar of Companies, Kanpur, Certificate of incorporation dated July 29, 2024.
May 21, 2024	Extra – Ordinary General Meeting	Adopted new set of Articles of Association as per the listing requirements.

## MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth the major event in the history of our Company:

Year	Major Events / Milestones / Achievement
2003	Taken over the business of the Partnership Firm namely M/s Rachit Prints.
2008- 2009	Turnover crossed Rs. 10.00 crores.
2014- 2015	Turnover crossed Rs. 20.00 crores.
2022- 2023	Addition of 4 Circular Knit machineries to expand the capacity
	Turnover crossed Rs. 30.00 crores.
2024 - 2025	Addition of 5 Circular Knit machineries in order to expand the capacity
	Addition of 6 Circular Knit machineries in order to expand the capacity
	Turnover crossed Rs. 40.00 crores.
	Installation of 6, High Speed Double Jersey Computerized Cylinder Jacquard Circular Knitting Machine

## LOCK-OUT AND STRIKES

There have been no instances of strikes or lock-outs at any time in our Company as on the date of this Red Herring Prospectus.

## SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

Our Company has not entered into any Significant Financial or Strategic Partnerships except as entered in its normal course of business.

## TIME/ COST OVERRUN IN SETTING UP PROJECTS

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

## LAUNCH OF KEY SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, please refer chapter titled “Our Business” beginning on page 141.

## KEY AWARDS, ACCREDITATIONS OR RECOGNITION

As on the date of this Red Herring Prospectus, our Company has not received any awards, accreditation or recognition.

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

There have not been any defaults or rescheduling of borrowings from financial institutions/ banks by our Company.



## CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS

There have been no changes in the activities of our Company since its incorporation which may have had a material adverse effect on the profit and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## MATERIAL ACQUISITIONS OF BUSINESSES OR DIVESTMENT OF BUSINESS/ UNDERTAKINGS, MERGERS, AMALGAMATION OR REVALUATION OF ASSETS, IF ANY IN LAST 10 YEARS

There are no mergers, amalgamation, revaluation of assets etc. with respect to our Company in the last 10 (ten) years. Further we had not acquired / sold any businesses / undertakings in last 10 (ten) years from the date of this Red Herring Prospectus.

## OUR HOLDING COMPANY

We do not have a holding company as on the date of this Red Herring Prospectus.

## OUR JOINT VENTURES AND ASSOCIATES

We do not have any joint ventures as on the date of this Red Herring Prospectus.

## OUR SUBSIDIARY

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary.

## AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY

Except as following, there are no agreements entered into by Key Managerial Personnel or Directors 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.

Name of the KMP/ Director/ Promoter	Date of Agreement	Remarks
Anupam Kansal	October 01, 2024	Service Agreement between Managing Director and Company.
Naina Kansal	October 01, 2024	Service Agreement between Whole-Time Director and Company.

## GUARANTEES GIVEN BY PROMOTERS

As on the date of this Red Herring Prospectus, no guarantee has been issued by Promoters except as disclosed in the chapter titled "*Financial Indebtedness*" beginning on page 202.

## AGREEMENTS WITH STRATEGIC PARTNERS, JOINT VENTURE PARTNERS AND/ OR FINANCIAL PARTNERS AND OTHER AGREEMENTS

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

## SPECIAL RIGHTS

None of the special rights available to the Promoters/Shareholders (except for nominee/nomination rights and information rights) would survive post listing of the Equity Shares of the Company and same shall cease to exit or shall expire/waived off immediately before or on the date shares are allotted to public shareholders in IPO, without requiring any further action.



## **INTER-SE AGREEMENTS /ARRANGEMENTS**

There are no inter-se agreements / arrangements and clauses / covenants which are material and are adverse / prejudicial to the interest of the minority / public shareholders entered into by the Company, Promoters and Shareholders with respect to the Company. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreements, inter-se agreements, agreements of like nature entered into by the Company, Promoters and Shareholders with respect to the Company.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets preceding the date of this Red Herring Prospectus.

## **OTHER DETAILS ABOUT OUR COMPANY**

For details of our Company's activities, business, growth, recognitions, marketing strategy, competition and our customers, please refer to the chapters titled "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis for Issue Price*" beginning on pages 141, 210 and 105 respectively. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to chapters titled "*Our Management*" and "*Capital Structure*" beginning on pages 177 and 74 respectively.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

In terms of our Articles of Association, our Company is required to have not less than 3 directors and not more than 15 directors. As on the date of this Red Herring Prospectus we have 5 (five) Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Change in Current Designation	Other Directorships
1.	<p><b>Name:</b> Mr. Anupam Kansal</p> <p><b>Age:</b> 54 years</p> <p><b>Father's Name:</b> Late Gyan Prakash Kansal</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> House No. 7, Tirupati Garden, Mawana Road, near ICICI Bank, Meerut, Uttar Pradesh -250001</p> <p><b>Term:</b> 5 years</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 01982805</p>	<p>Originally appointed as Director w.e.f. March 31, 2003*</p> <p>Re-designated as Managing Director w.e.f. October 01, 2024.</p>	Nil
2.	<p><b>Name:</b> Ms. Naina Kansal</p> <p><b>Age:</b> 51 years</p> <p><b>Father's Name:</b> Late Satya Dev Jaitly</p> <p><b>Designation:</b> Whole-Time Director</p> <p><b>Address:</b> House No. 7, Tirupati Garden, Mawana Road, near ICICI Bank, Meerut, Uttar Pradesh -250001</p> <p><b>Term:</b> 5 years</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 02313363</p>	<p>Appointed as an Additional Director w.e.f. April 13, 2003.**</p> <p>Resigned from the position on January 20, 2004 and subsequently was re-appointed as director on August 01, 2008**</p> <p>Re-designated as Whole-Time Director w.e.f. October 01, 2024.</p>	Nil



3.	<p><b>Name:</b> Ms. Rose Kansal <b>Age:</b> 23 years <b>Father's Name:</b> Mr. Anupam Kansal <b>Designation:</b> Non- Executive Director <b>Address:</b> House No. 7, Tirupati Garden, Mawana Road, Near ICICI Bank, Meerut, Uttar Pradesh - 250001 <b>Term:</b> Retire by rotation <b>Nationality:</b> Indian <b>Occupation:</b> Business <b>DIN:</b> 10651709</p>	<p>Appointed as an Additional Director w.e.f. June 06, 2024,  Re-designated as Non-Executive Director w.e.f. September 30, 2024.</p>	Nil
4.	<p><b>Name:</b> Mr. Tarun Sharma <b>Age:</b> 37 years <b>Father's Name:</b> Mr. Madan Mohan Sharma <b>Designation:</b> Independent Director <b>Address:</b> H. No. 17, Sector-9, Near Awas Vikas, Shastri Nagar- Uttar Pradesh - 250004 <b>Term:</b> 5 Years <b>Nationality:</b> Indian <b>Occupation:</b> Profession <b>DIN:</b> 10838034</p>	<p>Originally appointed as an Additional Director w.e.f. November 18, 2024 and then regularised as an Independent Director w.e.f. November 19, 2024.</p>	1. Zenq Advisors Private Limited
5.	<p><b>Name:</b> Mr. Priyesh Kumar Sikariwal <b>Age:</b> 32 years <b>Father's Name:</b> Mr. Rajesh Kumar Sikariwal <b>Designation:</b> Independent Director <b>Address:</b> 258 – A, Ram Gali, Harjinder Nagar 2<sup>nd</sup>, Kanpur Nagar, Uttar Pradesh - 208007 <b>Term:</b> 5 years <b>Nationality:</b> Indian <b>Occupation:</b> Profession <b>DIN:</b> 10651693</p>	<p>Originally appointed as an Additional Director w.e.f. October 01, 2024 and then regularised as an Independent Director w.e.f. October 10, 2024.</p>	Nil

\*Form 32 filed for the initial appointment of Mr. Anupam Kansal is not available with us.

\*\* Form 32 filed for the initial appointment as an additional director, regularization and then resignation of Ms. Naina Kansal is not available with us.

For more details, please refer to the Risk Factor no. 5 on page 32.



## BRIEF BIOGRAPHIES OF OUR DIRECTORS

	<p><b>Mr. Anupam Kansal</b>, aged 54 years is the Promoter and Managing Director of our Company. Mr. Anupam Kansal being a first-generation entrepreneur started the partnership firm namely “M/s Rachit Prints” in the year 1985. He has more than three decades of experience in the textile and apparel industry. He dynamically manages the affair of our company and always looks for new opportunities and technological innovations.</p>
	<p><b>Ms. Naina Kansal</b>, aged 51 years is the Promoter and Whole-Time Director of our Company. She has completed her “Bachelor’s in Science” from Meerut University, in the year 1997. Currently, she is solely handling the business of trading of fabrics and threads in the name of Elite Traders which also provides fabrics and threads to Rachit Prints Limited showcasing a solid foundation in business. Her background and years of experience in the line of Manufacturing of Speciality Fabric for textile industry equips her with the necessary knowledge and skills to contribute effectively to the strategic decision-making processes within the company.</p>
	<p><b>Ms. Rose Kansal</b> aged 23 years is the Non – Executive Director of our Company. She is having experience of more than two years in our Company. She is pursuing Engineering in the field of computer science and technology from Netaji Subhas Institute of Technology. Her academic background and enthusiasm for learning makes her an asset as we strive for quality. Her agile mindset and innovative ideas will foster fresh perspective into business.</p>
	<p><b>Mr. Tarun Sharma</b> aged 37 years is an Independent Director of our company. He is a member of Institute of Chartered Accountant of India and holds a master’s degree in the field of Commerce from Chaudhary Charan Singh University. He is having over a decade of experience in the field of audit &amp; accounting. Currently, he is serving as the Chief Financial Officer of Icon Facilitators Limited. He has served as an Assistant Manager in Genpact India from the year 2014 to 2016, he was engaged comprehensive financial analysis of operations, spearheaded financial planning and analysis. He has also been associated with Gogia Harit &amp; Company from the year 2016 to 2024, where he was involved in various corporate restructuring and financial transactions. He is skilled in financial operations, aligning business strategy and process improvement.</p>



**Mr. Priyesh Kumar Sikariwal** aged 32 years is an Independent Director of our Company. He holds a Master's degree in the field of the Computer Science from Indian Institute of Information Technology & Management, Gwalior, and has also done Master's in the field of Arts in Social Work from Tata Institute of Social Sciences. He has demonstrated the ability to manage the entire client lifecycle, from pre-sales to post-sales, ensuring client needs are met effectively.

## RELATIONSHIP BETWEEN OUR DIRECTORS

There is no relationship between our Directors except as described below:

Name of Director	Designation	Relation
Mr. Anupam Kansal	Promoter and Managing Director	Husband of Promoter cum Whole-Time Director – Ms. Naina Kansal and father of Non – Executive Director - Ms. Rose Kansal.
Ms. Naina Kansal	Promoter & Whole-Time Director	Wife of Promoter cum Managing Director – Mr. Anupam Kansal and mother of Non – Executive Director - Ms. Rose Kansal.
Ms. Rose Kansal	Non – Executive Director	Daughter of Promoter cum Managing Director - Mr. Anupam Kansal and Promoter cum Whole-Time Director – Ms. Naina Kansal.

## CONFIRMATIONS

As on the date of this Red Herring Prospectus:

1. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
2. The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
3. None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
4. None of our Directors have interest in any property acquired by our Company within two years of the date of this Red Herring Prospectus.
5. None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
7. None of the Promoters or Directors have been or are involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## REMUNERATION / COMPENSATION OF DIRECTORS

**The following compensation has been approved for Managing Director and Whole -Time Director**



### Mr. Anupam Kansal: Managing Director

Pursuant to the resolution passed by our Board and our Shareholders on October 01, 2024 and October 10, 2024 respectively, Anupam Kansal designated as Managing Director for a period of 5 years with effect from October 01, 2024 at a remuneration of up to Rs. 2,00,000/- per month, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof.

### Ms. Naina Kansal: Whole-Time Director

Pursuant to the resolution passed by our Board and our Shareholders on October 01, 2024 and October 10, 2024 respectively, Naina Kansal designated as Whole-Time Director for a period of 5 years with effect from October 01, 2024 at a remuneration of up to Rs. 2,00,000/- per month, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof.

No remuneration is currently paid to the Non-Executive Directors. However, Ms. Rose Kansal was paid following mentioned salary in the capacity of and Assistant Manager in the past:

(Rs. in Lakhs)

Sr. No.	Name	Designation	For the Financial Year ended 2024 - 2025	For the Financial Year ended 2023-24
1.	Ms. Rose Kansal	Assistant Manager	3.50	6.09

Remuneration paid to the Directors during the F.Y. 2024 – 2025 is as follows:

(Rs. in Lakhs)

Sr. No.	Name	Designation	For the Financial Year ended 2024-2025
1.	Mr. Anupam Kansal	Managing Director	30.00
2.	Ms. Naina Kansal	Whole-Time Director	30.00

(Rs. in Lakhs)

Name of the Independent Directors	Sitting Fees Payable to Independent Directors per Board Meeting and Committee Meeting
Tarun Sharma	0.03
Priyesh Kumar Sikariwal	0.03

Pursuant to the resolution passed by the Board of Directors of our Company on May 14, 2025 the Independent Directors of our Company would be entitled to a sitting fees of Rs. 3,000 for attending every meeting of Board and Committee as decided by the Board.

### SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any qualification shares.

The following table details the shareholding of our directors as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital*
1.	Mr. Anupam Kansal	16,67,750	45.97	33.79
2.	Ms. Naina Kansal	16,67,750	45.97	33.79
3.	Ms. Rose Kansal	2,625	0.07	0.05

\* Subject to finalisation of Basis of allotment.

None of the Independent Directors of our Company holds any Equity Shares of our Company as on the date of this Red Herring Prospectus.



## INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our directors may be deemed to be interested to the extent of interest paid on any loan or advances provided to our company, any body corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, Promoters, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable and other distributions in respect of the said Equity Shares, if any.

Except as stated in this chapter titled “*Our Management*” beginning on page 177 described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of or acting as Book Running Lead Manager, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Except Mr. Anupam Kansal, Ms. Naina Kansal, and Ms. Rose Kansal who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

No loans have been availed by our Directors from our Company.

## PROPERTY INTEREST

Except as stated/referred to in the heading titled “Properties” mentioned in the chapter titled “*Our Business*” beginning on page 141, our directors have not entered into any contract, agreement or arrangements during the preceding two years from the date of this Red Herring Prospectus in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

## CHANGES IN OUR BOARD OF DIRECTORS

The changes in the Board of Directors of our Company in the three years preceding the date of this Red Herring Prospectus are as follows:

Name	Date of event	Nature of event	Reason
Ms. Rose Kansal	June 06, 2024	Appointed as an Additional Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Rose Kansal	September 30, 2024	Regularised as Non-Executive Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Mr. Anupam Kansal	October 01, 2024	Re-designated as Managing Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Naina Kansal	October 01, 2024	Re-designated as Whole-Time Director	To ensure better Corporate Governance and compliance with Companies Act, 2013



Mr. Priyesh Kumar Sikariwal	October 01, 2024	Appointed as an Additional Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Mr. Priyesh Kumar Sikariwal	October 10, 2024	Regularised as an Independent Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Vinita Soni	October 01, 2024	Appointed as an Additional Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Vinita Soni	October 10, 2024	Regularised as an Independent Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Vinita Soni	November 18, 2024	Resignation as an Independent Director	Due to Personal Reasons
Mr. Tarun Sharma	November 18, 2024	Appointed as an Additional Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Mr. Tarun Sharma	November 19, 2024	Regularised as an Independent Director	To ensure better Corporate Governance and compliance with Companies Act, 2013

#### **BORROWING POWERS OF THE BOARD**

Pursuant to a special resolution passed at Extra-Ordinary General Meeting of our Company held on October 10, 2024 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 50 Crores.

#### **CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Red Herring Prospectus, our Company has five (5) Directors, one (1) is Managing Director, One (1) is Whole - Time Director, One (1) is Non- Executive Director and Two (2) are Independent Directors. Our Board has two women directors namely Ms. Naina Kansal and Ms. Rose Kansal as Whole-Time Director and Non- Executive Director respectively.

#### **Committees of the Board**

In addition to the committees of our Board detailed below, our Board may from time to time, constitute committees for various functions.



Following are the details of various committees of the Board:

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

**A) Audit Committee**

The Audit Committee (the “Committee”) has been constituted by the Board of Directors at their meeting held on November 21, 2024 in accordance with the Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its powers) Rule, 2014.

**Composition of Audit Committee:**

Name of the Director	Status	Nature of Directorship
Mr. Tarun Sharma	Chairman	Independent Director
Mr. Priyesh Kumar Sikariwal	Member	Independent Director
Mr. Anupam Kansal	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

**Meeting of the Audit Committee and relevant quorum**

1. The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.
2. The quorum for meetings of the committee shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.
3. The audit committee at its discretion shall invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee.

**The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors’ report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Overseeing of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
6. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
7. Formulation of a policy on related party transactions, which shall include materiality of related party transactions and making of omnibus approval of related party transactions;
8. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Modified opinion(s) in the draft audit report;
9. Reviewing, with the management, the quarterly, half yearly and Annual financial statements before submission to the Board for approval;
10. 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;

11. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
12. Approval or any subsequent modification of transactions of the listed entity with related parties includes omnibus approval for related parties transactions subject to conditions as specified under rules;
13. Scrutiny of inter-corporate loans and investments;
14. Valuation of undertakings or assets of the Company, wherever it is necessary;
15. Evaluation of internal financial controls and risk management systems;
16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
17. 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;
18. Discussion with internal auditors of any significant findings and follow up there on;
19. 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;
20. 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;
21. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases
23. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
24. To investigate any other matters referred to by the Board of Directors;
25. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.
26. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
27. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**The Audit Committee enjoys following powers:**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise if it considers necessary.

**The Audit Committee shall mandatorily review the following information:**

- i) Management discussion and analysis of financial condition and results of operations;
- ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv) Internal audit reports relating to internal control weaknesses; and
- v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.



- vi) Statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Chairman of the committee has to attend the Annual General Meetings of the Company to clarifications on matters relating to the audit.

## **B) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee has constituted by the Board of Directors at their meeting held November 21, 2024 in accordance with the Section 178(5) of the Companies Act 2013.

### **Composition of Stakeholders Relationship Committee**

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Mr. Priyesh Kumar Sikariwal	Chairman	Independent Director
Ms. Naina Kansal	Member	Whole-Time Director
Mr. Anupam Kansal	Member	Managing Director

The Company Secretary and Compliance Officer of the Company will act as the Secretary of the Committee.

### **Meetings of the Stakeholders Relationship Committee**

1. The Committee is required to meet at least once a year.
2. The quorum necessary for a meeting shall be two members present.

### **SCOPE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE**

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent and to recommend measures for overall improvement in the quality of investor services;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. Approve, register, refuse to register transfer or transmission of shares and other securities;
7. Sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. Allotment and listing of shares;
9. Authorise affixation of common seal of the Company;
10. Issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;



11. Approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. Dematerialize or rematerialize the issued shares;
13. Ensure proper and timely attendance and redressal of investor queries and grievances;
14. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
15. Advising for giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
16. Carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time;
17. Further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
18. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

### **C) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has constituted by the Board of Directors at their meeting held on November 21, 2024 in accordance with the Section 178 of the Companies Act 2013.

#### **Composition of Nomination and Remuneration Committee**

Name of the Director	Status	Nature of Directorship
Mr. Priyesh Kumar Sikariwal	Chairman	Independent Director
Ms. Rose Kansal	Member	Non-Executive Director
Mr. Tarun Sharma	Member	Independent Director

The Company Secretary and Compliance Officer of our Company acts as the Secretary to the Committee.

#### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

1. The Committee is required to meet at least once a year.
2. The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater.

#### **Role of Nomination and Remuneration Committee are:**

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - 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 Independent Directors and the Board;
4. Devising a policy on Board diversity;

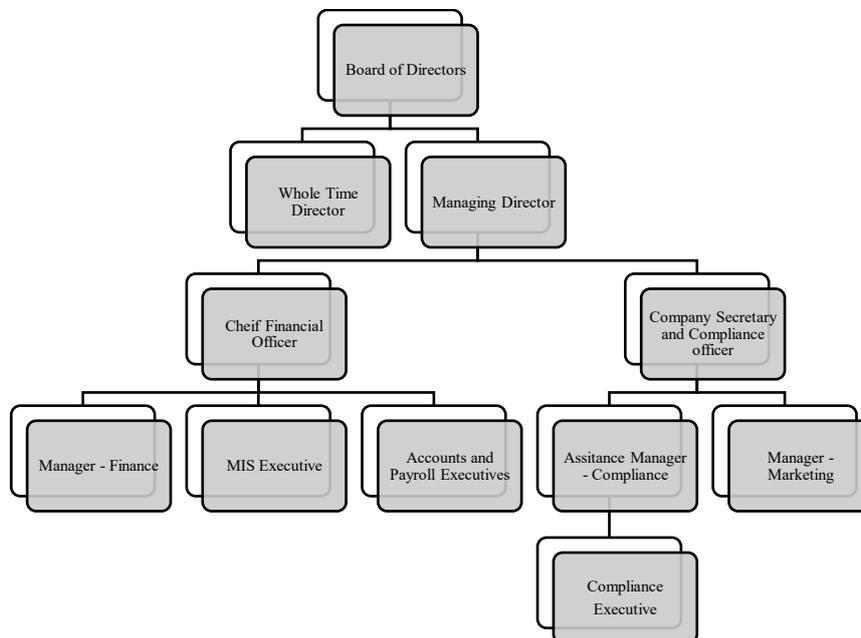


5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks
8. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

## POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchange. Further, Board of Directors on their meeting dated October 01, 2024 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

## ORGANISATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:



### Details of Key Managerial Personnel of our Company as per the Companies Act 2013 –

	<p><b>Mr. Anupam Kansal</b>, aged 54 years is the Promoter and Managing Director of our Company. is the Promoter and Managing Director of our Company. Mr. Anupam Kansal being a first-generation entrepreneur started the partnership firm namely “M/s Rachit Prints” in the year 1985. He has more than three decades of experience in the textile and apparel industry. He dynamically manages the affair of the company and always looks for new opportunities and technological innovations.</p>
	<p><b>Ms. Naina Kansal</b>, aged 51 years is the Promoter and Whole-Time Director of our Company. She has completed her “Bachelor’s in Science” from Meerut University, in the year 1997. Currently, she is solely handling the business of trading of fabrics and threads in the name of Elite Traders which also provides fabrics and threads to Rachit Prints Limited showcasing a solid foundation in business. Her background and years of experience in the line of Manufacturing of Speciality Fabric for textile industry equips her with the necessary knowledge and skills to contribute effectively to the strategic decision-making processes within the company.</p>
	<p><b>Ms. Ayushi Verma</b>, aged 30 years is the Company Secretary &amp; Compliance Officer of our Company. She is an associate member of The Institute of Company Secretaries of India. She has completed LLB from Chaudhary Charan Singh University, Meerut in the year 2020. She has completed LLM from Chaudhary Charan Singh University, Meerut in the year 2025. Prior to joining our Company, she was associated with RSJ Professionals Private Limited as management trainee from the year 2017 to 2020. She holds an experience of one year in the field of secretarial and listed compliances.</p>
	<p><b>Ms. Garima Moorjani</b>, aged 31 years is the Chief Financial Officer of our Company. She is a member of Institute of Chartered Accountants of India. She was associated with Amresh Vashisht &amp; Associates from the year 2014-2016 as an article assistant. Prior to joining our Company, she was associated with Mahaveera Coal Sales Private Limited from the year May 2018 to September 2024.</p>

### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as mentioned below, there is no family relationship between the Key Managerial Personnel of our Company.

Name of Director/ KMP	Designation	Relation
Mr. Anupam Kansal	Managing Director	Mr. Anupam Kansal is spouse of Ms. Naina Kansal
Ms. Naina Kansal	Whole -Time Director	Ms. Naina Kansal is the spouse of Mr. Anupam Kansal



#### FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the Directors and the Key Managerial Personnel of our Company except as described below:

Name of Director/ KMP	Designation	Relation
Mr. Anupam Kansal	Managing Director	Mr. Anupam Kansal is spouse of Ms. Naina Kansal
Ms. Naina Kansal	Whole -Time Director	Ms. Naina Kansal is the spouse of Mr. Anupam Kansal

#### SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

The shareholding of the KMPs in our company is as follows;

Sr. No.	Name of the KMPs	Designation	No. of Shares held
1.	Mr. Anupam Kansal	Managing Director	16,67,750
2.	Ms. Naina Kansal	Whole -Time Director	16,67,750

#### BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any bonus or profit-sharing plan with any of the Key Managerial Personnel.

#### LOANS TO KEY MANAGERIAL PERSONNEL

No loans and advances have been given to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

#### REMUNERATION/COMPENSATION OF KEY MANAGERIAL PERSONNEL:

(Rs. in Lakhs)

Sr. No.	Name	Designation	FY 2024 - 2025
1.	Mr. Anupam Kansal	Managing Director	30.00
2.	Ms. Naina Kansal	Whole-Time Director	30.00
3.	Ms. Ayushi Verma	Company Secretary and Compliance officer	2.56
4.	Ms. Garima Moorjani	Chief Financial Officer	1.25

#### INTEREST OF KEY MANAGERIAL PERSONNEL

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration, reimbursement of expenses, lease rent on vehicles and interest on loan, if any.

Our Key Managerial Personnel have no interest in any property acquired by our Company within two years of the date of this Red Herring Prospectus.

#### CHANGES IN KEY MANAGERIAL PERSONNEL DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Key Managerial Personnel	Designation	Date of Event	Reason
Mr. Anupam Kansal	Managing Director	October 01, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013



Ms. Naina Kansal	Whole -Time Director	October 01, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Ayushi Verma	Company Secretary & Compliance Officer	October 01, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013
Ms. Garima Moorjani	Chief Financial Officer	November 18, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

#### **SENIOR MANAGERIAL PERSONNEL**

As on the date of this Red Herring Prospectus, our Company does not have any Senior Managerial Personnel.

#### **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, our company does not have any ESOP/ESPS Scheme for employees.

#### **PAYMENT OR BENEFIT TO OUR OFFICERS**

Except as disclosed in the chapter titled “*Restated Standalone Financial Statements*” beginning on page 201, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.



## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

1. Mr. Anupam Kansal
2. Ms. Naina Kansal
3. Ms. Rose Kansal

### DETAILS OF OUR PROMOTERS

1. Mr. Anupam Kansal	
	<p><b>Mr. Anupam Kansal</b> aged 54 years is the Promoter and Managing Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements please refer to the chapter titled “Our Management” beginning on page 177.</p> <p><b>Date of Birth:</b> July 28, 1971</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AAXPK9501B</p> <p><b>Residential Address:</b> House No. 7, Tirupati Garden, Mawana Road, Near ICICI Bank, Meerut, Uttar Pradesh – 250001.</p>
2. Ms. Naina Kansal	
	<p><b>Ms. Naina Kansal</b> aged 51 years is the Promoter and Whole-Time Director of our Company.</p> <p>For details of her educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, please refer to the chapter titled “Our Management” beginning on page 177.</p> <p><b>Date of Birth:</b> January 18, 1974</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AGBPK3480D</p> <p><b>Residential Address:</b> House No. 7, Tirupati Garden, Mawana Road, Near ICICI Bank, Meerut, Uttar Pradesh – 250001.</p>



### 3. Ms. Rose Kansal



**Ms. Rose Kansal**, aged 23 years is the Promoter and Non – Executive Director of our Company.

For details of her educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, please refer to the chapter titled “Our Management” beginning on page 177.

**Date of Birth:** December 12, 2001

**Nationality:** Indian

**PAN:** JIBPK5545Q

**Residential Address:** House No. 7, Tirupati Garden, Mawana Road, Near ICICI Bank, Meerut, Uttar Pradesh – 250001.

### DECLARATION

1. We confirm that the Permanent Account Number, Bank Account number, Passport number, Driving License number Aadhaar Card number of our Promoters was submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus with the Stock Exchange.
2. Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.
3. Our Promoters have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.
4. No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies/Entities in the past or is currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies/Entities (ii) the Companies/Entities with which any of our Promoter is or was associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.
5. Our Promoters are not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

### CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Red Herring 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 to the chapter titled “Our Management” beginning on page 177.



## INTEREST OF OUR PROMOTERS

Our Promoters do not have any interest in our Company except to the extent of remuneration, Interest on loan, compensation payable / paid, rents on properties owned by them or their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please refer to the chapters titled “*Capital Structure*”, “*Restated Standalone Financial Statements*” and “*Our Management*” beginning on pages 74, 201 and 177 respectively.

Except as stated otherwise in this Red Herring 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 to the chapter titled “*Restated Standalone Financial Statements*” beginning on page 201.

### ***Interest of Promoters in the Promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### ***Interest of Promoters in the Property of our Company***

Except as stated in the chapter titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Standalone Financial Statements*” beginning on pages 162 and 201, respectively, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Red Herring Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 141, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

### ***Interest in our Company arising out of being a member of a firm or company***

Except as disclosed in the Annexure titled “*Related Party Transactions- Annexure-35*” in the chapter titled “*Restated Standalone Financial Statements*” beginning on page F-32, our Promoters are not interested as member of a firm or company where any 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***

Our Promoters, Mr. Anupam Kansal, Ms. Naina Kansal and Ms. Rose Kansal serve as the Managing Director and Whole-Time Director and Non – Executive Director of our Company respectively, therefore, may be deemed to be considered interested to the extent of any remuneration which shall be payable to them in such capacity. Except as mentioned in this chapter and chapters titled “*Our Business*”, “*Our History and Certain Other Corporate Matters*”, “*Our Management*” and “*Restated Standalone Financial Statements*” beginning on pages 141, 172, 177 and 201 respectively, our Promoters do not have any other interest in our Company.



## COMMON PURSUITS OF OUR PROMOTERS

Except as disclosed in the chapter titled “*Our Group Entities*” beginning on page 197, our Promoters and the members of the Promoter Group neither individually nor collectively hold any interest in any Body Corporate /Firm/ Entity which are in the same line of activity or business as that of our Company. However, no assurance can be given of any future event which may lead to conflict of interest between our Company and our Promoters and the members of the Promoter Group.

## PAYMENTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the chapter titled “*Restated Standalone Financial Statements*” beginning on page 201, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Red Herring Prospectus.

## MATERIAL GUARANTEES

Except as stated in the chapter titled “*Restated Standalone Financial Statements*” beginning on page 201, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

## DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any of the companies/partnership firms during preceding three years.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of SEBI (ICDR) Regulations includes the following persons:

### a) Natural persons who are part of our Individual Promoter Group:

The natural persons who are part of our Promoter Group (due to the relationship with our Promoters), other than the Promoters named above are as follows:

Sr. No.	Relationship	Mr. Anupam Kansal	Ms. Naina Kansal	Ms. Rose Kansal
1.	Father	Late Gyan Prakash Kansal	Late Satya Dev Jaitly	Mr. Anupam Kansal
2.	Mother	Late Kanti Kansal	Late Indra Jaitly	Ms. Naina Kansal
3.	Spouse	Ms. Naina Kansal	Mr. Anupam Kansal	-
4.	Brother(s)	Mr. Atul Kumar Kansal*	Mr. Amit Jaitly	Mr. Karan Kansal
5.	Sister(s)	<ul style="list-style-type: none"> <li>Late Suniti Gupta</li> <li>Ms. Babita Manglik**</li> <li>Ms. Shalini Garg**</li> </ul>	Ms. Sapna Sharma	-
6.	Children	<ul style="list-style-type: none"> <li>Mr. Karan Kansal</li> <li>Ms. Rose Kansal</li> </ul>	<ul style="list-style-type: none"> <li>Mr. Karan Kansal</li> <li>Ms. Rose Kansal</li> </ul>	-
7.	Spouse Father	Late Satya Dev Jaitly	Late Gyan Prakash Kansal	-
8.	Spouse Mother	Late Indra Jaitly	Late Kanti Kansal	-
9.	Spouse Brother	Mr. Amit Jaitly	Mr. Atul Kansal	-
10.	Spouse Sister(s)	Ms. Sapna Sharma	<ul style="list-style-type: none"> <li>Late Suniti Gupta</li> <li>Ms. Babita Manglik</li> <li>Ms. Shalini Garg</li> </ul>	-

\* Mr. Atul Kansal, is the brother of Mr. Anupam Kansal and former director of Rachit Prints Limited and in view of the strained family relations between the two, the Company is unable to provide the consents required to be obtained from Mr. Atul Kansal i.e. individual forming part of the promoter group and other disclosures except for the KYC documents (PAN and Aadhar).



*\*\* Ms. Babita Manglik and Ms. Shalini Garg, are the sisters of Mr. Anupam Kansal and in view of the strained family relations between them, the Company is unable to provide the consents required to be obtained from Ms. Babita Manglik and Ms. Shalini Garg i.e. individual forming part of the promoter group and other disclosures except for the KYC documents (PAN and Aadhar).*

**b) Companies related to our Promoter Company:**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company	NA*
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).	NA*
Any Body corporate in which a group or individuals or companies or combinations thereof which hold 20% or more of the equity share capital in that body corporate also hold 20% or more of the equity share capital of the Issuer.	NA*

*\*Our Company does not have any promoter company.*

**c) Companies, Proprietary concerns, HUF's related to our promoters**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	NA
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	NA
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the promoters and his immediate relatives is equal to or more than twenty percent.	1. Anupam Kansal HUF 2. Elite Traders (Proprietorship Firm)

For further details, please refer to the chapter titled “*Our Group Entities*” beginning on page 197.

**OUTSTANDING LITIGATIONS**

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 29 and 223 respectively.

**RELATED PARTY TRANSACTIONS**

Except as disclosed in the annexure titled “*Related Party Transactions- Annexure-35*” under the chapter titled “*Restated Standalone Financial Statements*” beginning on page F-32, our Company has not entered into any related party transactions with our Promoters.



## OUR GROUP ENTITIES

In terms of the SEBI ICDR Regulations and applicable accounting standards, “Group Entities” of the Company includes:

- a) the companies (other than the promoters and subsidiaries) with which there were related party transactions as per the Restated Standalone Financial Statements; and
- b) other companies considered material by the Board of Directors of the relevant issuer company.

Accordingly, pursuant to the resolution passed by our Board at its meeting held on October 01, 2024, group entities of our Company shall include:

- the entities with which there were related party transactions as per the Restated Standalone Financial Statements during any of the last three financial years in respect of which the Restated Standalone Financial Statements are included in this Red Herring Prospectus as covered under the relevant accounting standard (AS - 18) have been considered as group entities in terms of the SEBI ICDR Regulations;
- entities forming part of the Promoter Group with whom the Company has entered into related party transactions during the last completed financial year which cumulatively exceeds 10% of the total revenue of our Company for the last completed financial year as per the Restated Standalone Financial Statements.
- all such entities which are deemed to be material by the Board of Directors.

Accordingly, in terms of the policy adopted by our Board for determining group entities, our Board has identified the following as Group Entities as on date of this Red Herring Prospectus:

1. Anupam Kansal (HUF)
2. Elite Traders (Proprietorship Firm)

### DETAILS OF OUR GROUP ENTITIES

#### 1. ANUPAM KANSAL (HUF)

Anupam Kansal (HUF) came into existence on June 01, 2004 under the provisions of Income Tax Act, 1961. The HUF is situated at 7, Tirupati Garden, Mawana Road, Meerut, Uttar Pradesh- 250001 and the PAN of Anupam Kansal (HUF) is AAKHA8102M.

#### Nature of business:

The HUF carries on the business of wholesale and retail trading of textiles, apparels, footwear and leather goods.

#### Key Financials:

(Rs. in Lakhs)

Particulars	For the Financial Year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Gross Total Income	3.89	5.91	5.81
Deductions Under Chapter VI-A	1.50	1.50	1.50
Total Income	2.39	4.41	4.31
Taxes Paid (Including Interest and Fees, if any)	Nil	0.10	0.09



## 2. ELITE TRADERS (Proprietorship Firm)

The Proprietorship is owned by Ms. Naina Kansal. The PAN of the Proprietor is AGBPK3480D and GST No. of proprietorship is 09AGBPK3480D1ZM. The Registered Office of the Proprietorship is situated at H. No. 7, Tirupati Garden, Mawana Road, Meerut, Uttar Pradesh- 250001.

### Nature of business

The Proprietorship firm carries the business of trading of fabrics and threads.

### Key Financials:

(Rs. in Lakhs)

Particulars	For the Financial Year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Gross Total Income	29.38	29.68	30.69
Deductions	Nil	Nil	Nil
Total Income	29.38	29.68	30.69
Taxes Paid (Including Interest and Fees, if any)	6.05	6.53	7.19

### INTEREST OF GROUP ENTITIES

None of our Group Entities have any interest in the promotion of our Company.

None of our Group Entities are interested in the properties acquired by our Company in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by our Company.

None of our Group Entities are interested in any transactions for the acquisition of land, construction of building or supply of machinery etc.

### COMMON PURSUITS AMONG GROUP ENTITIES WITH OUR COMPANY

Group Entities may be empowered under their respective constitutional documents, to undertake a similar line of business, currently there is no conflicting interest arising out of such the common pursuits. We shall adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise.

### RELATED BUSINESS TRANSACTION WITHIN THE GROUP ENTITIES AND SIGNIFICANCE ON FINANCIAL PERFORMANCE OF OUR COMPANY

For details pertaining to business transactions, of our Company with our Group entities, please refer to the Annexure titled “*Related Party Transactions*” beginning on page F-32.

### BUSINESS INTEREST OF GROUP ENTITIES

Except in the ordinary course of business and as stated the Annexure titled “*Related Party Transactions*” beginning on page F-32, our Group Entities do not have any business interest in our Company.

### LITIGATION

Except as disclosed in the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 223, there has been no material litigation in the group entities, which may directly or indirectly affect our Company.



## **CONFIRMATIONS**

Our Group Entities do not have any securities listed on any stock exchange. Further, our Group Entities have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Red Herring Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company has not yet adopted dividend distribution policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.



**SECTION VII – FINANCIAL INFORMATION**

**RESTATED STANDALONE FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1.	Restated Standalone Financial Statements	F-01 to F-42



## INDEPENDENT AUDITORS' REPORT

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

**The Board of Directors,**

**Rachit Prints Limited**

(formerly known as "Rachit Prints Private Limited")

B-9, 10 & 11, Udyog Puram,

Delhi Road,

Partapur, Meerut

Dear Sir/ Madam,

1. We have examined the attached Restated Standalone Financial Statements of **Rachit Prints Limited** (formerly known as "Rachit Prints Private Limited") (hereinafter referred as the "Company" or "Issuer"), comprising of Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023 the Restated Statement of Profit and Loss, the Restated Cash Flow Statement for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the Summary Statement of Significant Accounting Policies to the Restated Standalone Financial Statements (collectively, the "Restated Standalone Financial Statements"), as approved by the Board of Directors of the Company at their meeting held on July 26, 2025 for the purpose of inclusion in the Red Herring Prospectus ("**RHP**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended ("**the Act**") read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time (the "**Rules**")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time pursuant to the provisions of the Securities and Exchange Board of India, 1992 ("**the SEBI ICDR Regulations**"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**") as amended from time to time ("**the Guidance Note**").
2. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Statements for the purpose of inclusion in the RHP/ Prospectus to be filed with Securities and Exchange Board of India, BSE Limited, and Registrar of Companies, Kanpur in connection with the proposed IPO. The Restated Financial Information have been prepared by the Management of the company. The responsibility of the Board of Directors includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Statements. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note read with the SEBI Communication, as applicable.
3. We have examined such Restated Standalone Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 01, 2024 in connection with the proposed IPO of equity shares of the Company;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information; and



- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Standalone Financial Information have been prepared and compiled by the management from:
- a) The Audited financial statements of the company for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 are prepared in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, (" Indian GAAP") read with the Companies (Accounting Standards) Rules, 2015, as amended which have been approved by the Board of Directors at their meetings held on July 26, 2025, July 24, 2024, and September 3, 2023 respectively.
- b) The Financial Statements of the company for the financial year ended March 31, 2023 were not audited by us.  
M/s Rajeev Devendra & Co., Chartered Accountants, (the "Statutory Auditors") have audited the financial statements of the Company as at and for the financial year ended March 31, 2023.  
M/s Rajeev Devendra & Co., Chartered Accountants, (the "Tax Auditors") have conducted the Income Tax Audit of the Company as at and for the financial year ended March 31, 2023.  
M/s RPSG & Co, Chartered Accountants, (the "Tax Auditors") have conducted the Income Tax Audit of the Company as at and for the financial year ended March 31, 2024.
- Accordingly, reliance has been placed on the audited statements of accounts and audit report thereon issued by the Statutory Auditors and Tax Auditors.
5. Our Work has been carried out in accordance with the Standards on Auditing under section 143 (10) of the Act, Guidance Note on reports in company Prospectuses (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable rules and ICDR Regulations. This work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the issue.

### **Opinion**

6. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the ICDR Regulations and the Guidance Note, we have examined the Restated Standalone Financial Information of the company which have been arrived after making adjustments and regrouping /reclassifications, which in our opinion were appropriate, and have been fully described in Annexure 6: Notes on Restatement Adjustments to audited financial statements and based on our examination, we report that :
- i. The Restated Statement of Assets and Liabilities of the Company, as at March 31, 2025, March 31, 2024 and March 31, 2023 examined by us, as set out in Annexure 1 to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate.
- ii. The Restated Statement of Profit and Loss of the Company, for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 examined by us, as set out in Annexure 2 to this report, have been arrived at after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in Annexure 6.
- iii. The Restated Statement of Cash Flows of the Company for the financials years ended March 31, 2025, March 31, 2024 and March 31, 2023, examined by us, as set out in Annexures 3 to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate.
7. Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraph 6 above, read with Notes on Adjustments for Restatement of Profit and Loss (Annexure 6),



Significant Accounting Policies and Notes forming part of the Financial Information (Annexure 4) have been prepared in accordance with the Act, the Rules, and the ICDR Regulations and;

- a) Have been made after incorporating adjustments for the changes in accounting policies of the company in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all the reporting financials years;
- b) Have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;
- c) Following qualifications have been reported by the Tax Auditors for the financial year ended March 31, 2023 as follows:
  - Stock Records are not maintained by the company.
  - Information regarding trade payables registered under Micro, Small and Medium Enterprises Development Act, 2006 is not available with the company.
- d. There are no extra-ordinary items that needs to be disclosed separately.

8. We have also examined the following Restated Standalone Financial Information of the company set out in the Annexures prepared by the Management and approved by the Board of Directors for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

1.	Restated Summary Statement of Notes to Restated Summary Statements	Annexure 5
2.	Restated Summary Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per Audited Financial Statements	Annexure 6
3.	Restated Summary Statement of Share Capital	Annexure 7
4.	Restated Summary Statement of Reserves and Surplus	Annexure 8
5.	Restated Summary Statement of Long-Term Borrowings	Annexure 9
6.	Restated Summary Statement of Deferred Tax Liabilities/ Assets (Net)	Annexure 10
7.	Restated Summary Statement of Long-Term Provisions	Annexure 11
8.	Restated Summary Statement of Short-Term Borrowings	Annexure 12
9.	Restated Summary Statement of Trade Payables	Annexure 13
10.	Restated Summary Statement of Other Current Liabilities	Annexure 14
11.	Restated Summary Statement of Short-Term Provisions	Annexure 15
12.	Restated Statement of Property, Plant & Equipment	Annexure 16
13.	Restated Summary Statement of Capital Work In Progress	Annexure 17
14.	Restated Summary Statement of Other Non-Current Assets	Annexure 18
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16.	Restated Summary Statement of Inventories	Annexure 20
17.	Restated Summary Statement of Cash and Cash Equivalents	Annexure 21
18.	Restated Summary Statement of Other Bank Balances	Annexure 22
19.	Restated Summary Statement of Short Term Loans and Advances	Annexure 23
20.	Restated Summary Statement of Other Current Assets	Annexure 24
21.	Restated Summary Statement Income from Operations	Annexure 25
22.	Restated Summary Statement of Other Income	Annexure 26
23.	Restated Summary Statement of Cost of Material Consumed	Annexure 27
24.	Restated Summary Statement of Purchases of Stock in Trade/Traded Goods	Annexure 28
25.	Restated Summary Statement of Changes in Inventories of Work-In-Progress and Finished Goods	Annexure 29
26.	Restated Summary Statement of Employee Benefit Expense	Annexure 30
27.	Restated Summary Statement of Finance Costs	Annexure 31
28.	Restated Summary Statement of Depreciation and Amortisation Expenses	Annexure 32
29.	Restated Summary Statement of Other Expenses	Annexure 33
30.	Restated Summary Statement of Earnings Per Share	Annexure 34



31.	Restated Summary Statement of Related Party Transactions	Annexure 35
32.	Restated Summary Statement of Reconciliation of Liabilities Arising from Financing Activities	Annexure 36
33.	Restated Summary Statement of Financial Ratios	Annexure 37
34.	Restated Summary Statement of Other Regulatory Information	Annexure 38
35.	Restated Summary Statement of Employee Benefit Obligations	Annexure 39
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38.	Restated Statement of Financial Indebtedness	Annexure 42
39.	Restated Statement of Dividend	Annexure 43
40.	Restated Summary Statement of Tax Shelters	Annexure 44

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the management for inclusion in the RHP/ Prospectus to be filed with Securities and Exchange Board of India, BSE Limited, and Registrar of Companies, Kanpur in connection with the proposed IPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Singhal Gupta & Co. LLP**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 004933C/C400028**  
**Peer Review Number: 015053**

**Sd/-**  
**CA Chetan Singhal**  
**Partner**  
**Membership Number: 420018**

**UDIN: 25420018BMHQQL2627**

**Place: Meerut**  
**Date: July 26, 2025**



<b>RACHIT PRINTS LIMITED</b>
(Formerly known as 'Rachit Prints Private Limited')
Registered Office: B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut- 250103
CIN: U22190UP2003PLC027364

<b>RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES</b>				
<b>ANNEXURE 1</b>				
<i>(Rs. in Lakhs)</i>				
<b>Particulars</b>	<b>Annexure</b>	<b>As at March 31,2025</b>	<b>As at March 31,2024</b>	<b>As at March 31,2023</b>
<b><u>D EQUITY AND LIABILITIES</u></b>				
<b>I. SHAREHOLDERS FUND</b>				
(a) Share Capital	7	362.81	191.00	191.00
(b) Reserve & Surplus	8	868.10	355.25	152.26
<b>Total Shareholders funds</b>		<b>1,230.91</b>	<b>546.25</b>	<b>343.26</b>
<b>2. NON-CURRENT LIABILITIES</b>				
(a) Long Term Borrowings	9	401.13	340.74	614.55
(b) Deferred Tax Liabilities	10	13.26	4.64	1.39
(c) Long Term Provisions	11	1.92	1.35	-
<b>Total Non-Current liabilities</b>		<b>416.30</b>	<b>346.72</b>	<b>615.94</b>
<b>3. CURRENT LIABILITIES</b>				
(a) Short Term Borrowings	12	522.29	297.68	864.40
(b) Trade Payables	13			
Total outstanding dues to MSMEs		7.09	24.19	-
Total outstanding dues to MSMEs		328.26	597.05	472.05
(c) Other Current Liabilities	14	30.71	27.98	31.27
(d) Short Term Provisions	15	73.51	62.49	-
<b>Total Current Liabilities</b>		<b>961.85</b>	<b>1,009.39</b>	<b>1,367.72</b>
<b>Total Equity and Liabilities</b>		<b>2,609.07</b>	<b>1,902.36</b>	<b>2,326.92</b>
<b>II. ASSETS</b>				
<b>I. NON-CURRENT ASSETS</b>				
(a) Property, Plant & Equipment	16	977.04	573.37	618.03
(b) Capital Work in progress	17	-	-	16.05
(c) Deferred Tax Assets	10	0.57	0.34	-
(d) Other non current assets	18	6.95	6.67	6.67
<b>Total Non current assets</b>		<b>984.56</b>	<b>580.38</b>	<b>640.75</b>
<b>2. CURRENT ASSETS</b>				
(a) Trade Receivables	19	793.70	650.52	632.21
(b) Inventories	20	423.21	359.31	657.01
(c) Cash and Cash Equivalents	21	42.04	4.21	20.38
(d) Other bank balances	22	-	-	-
(e) Loans & Advances	23	5.10	10.02	133.31
(f) Other Current Assets	24	360.44	297.93	243.26
<b>Total Current Assets</b>		<b>1,624.50</b>	<b>1,321.98</b>	<b>1,686.17</b>
<b>Total Assets</b>		<b>2,609.07</b>	<b>1,902.36</b>	<b>2,326.92</b>
Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.				
This is the Restated Summary Statement of Assets and Liabilities, referred to in our report of even date.				



**For Singhal Gupta & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:

004933C/C400028

Peer Review Certificate No.: 015053

**For and on behalf of  
RACHIT PRINTS LIMITED**

Sd/-

**CA Chetan Singhal**

Partner

Membership Number: 420018

UDIN: 25420018BMHQQL2627

Place: Meerut

Date: July 26, 2025

Sd/-

**Anupam Kansal**

Managing Director

DIN:01982805

Sd/-

**Ayushi Verma**

Company Secretary and  
Compliance Officer

Sd/-

**Naina Kansal**

Whole Time Director

DIN: 02313363

Sd/-

**Garima Moorjani**

Chief Financial Officer



<b>RACHIT PRINTS LIMITED</b>
(Formerly known as 'Rachit Prints Private Limited')
Registered Office: B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, 250103
CIN: U22190UP2003PLC027364

<b>RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS</b>				
<b>ANNEXURE 2</b>				
<i>(Rs. in Lakhs)</i>				
Particulars	Annexure	For the Financial Year ended		
		March 31,2025	March 31,2024	March 31,2023
<b>I) Incomes</b>				
(a) Income From Operations	25	4,170.32	3,708.26	3,232.21
(b) Other Income	26	8.11	2.85	6.54
<b>II) Total Incomes</b>		<b>4,178.43</b>	<b>3,711.11</b>	<b>3,238.75</b>
<b>III) Expenses</b>				
(a) Cost of material consumed	27	2,568.79	2,284.16	1,952.88
(b) Purchases of stock in trade	28	3.41	20.66	51.57
(c) Changes in inventories of finished goods and Work in Progress	29	(5.72)	124.11	80.98
(d) Employee benefits expense	30	258.42	229.69	239.87
(e) Finance Cost	31	37.09	60.21	87.53
(f) Depreciation and amortization expense	32	84.92	95.64	84.09
(g) Other expenses	33	622.55	622.46	706.07
<b>IV) Total Expenses</b>		<b>3,569.46</b>	<b>3,436.93</b>	<b>3,202.98</b>
<b>V) Profit Before Taxes (II-IV)</b>		<b>608.97</b>	<b>274.17</b>	<b>35.77</b>
<b>VI) Tax Expenses</b>				
(a) Current taxes		144.41	65.93	-
(b) Deferred tax expense / (credit)		8.39	2.91	3.48
(c) Tax adjustment of earlier years		-	2.35	-
<b>VII) Total Taxes</b>		<b>152.79</b>	<b>71.19</b>	<b>3.48</b>
<b>VIII) Profit after Taxes</b>		<b>456.18</b>	<b>202.99</b>	<b>32.30</b>
<b>IX) Earnings per Equity Share of Rupees 10.00 each</b>	34			
(a) Basic (in rupees)		13.03	6.07	0.97
(a) Diluted (in rupees)		13.03	6.07	0.97

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

This is the Restated Summary Statement of Profits and Losses, referred to in our report of even date.

**For Singhal Gupta & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number:  
004933C/C400028  
Peer Review Certificate No.: 015053

**For and on behalf of**  
**RACHIT PRINTS LIMITED**

Sd/-  
**CA Chetan Singhal**  
Partner

Sd/-  
**Anupam Kansal**  
Managing Director

Sd/-  
**Naina Kansal**  
Whole Time Director



Membership Number: 420018

DIN:01982805

DIN: 02313363

UDIN: 25420018BMHQQL2627

Place: Meerut

Date: July 26, 2025

Sd/-

**Ayushi Verma**

Company Secretary and  
Compliance Officer

Sd/-

**Garima Moorjani**  
Chief Financial Officer



<b>RACHIT PRINTS LIMITED</b>
(Formerly known as 'Rachit Prints Private Limited')
Registered Office: B-9, 10 & 11, Udyog Puram, Delhi Road, Partapur, Meerut, 250103
CIN: U22190UP2003PLC027364

<b>RESTATED SUMMARY STATEMENT OF CASH FLOWS</b>			
<b>ANNEXURE 3</b>			
<i>(Rs. in lakhs)</i>			
Particulars	For the Financial Year ended		
	March 31,2025	March 31,2024	March 31,2023
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax	608.97	274.17	35.77
<b>Adjustments for :</b>			
Loss / (Profit) on sale of property, plant and equipment	(1.98)	-	0.04
Depreciation and Amortization Expense	84.92	95.64	84.09
Interest income	(2.01)	(0.79)	(0.57)
Finance Costs	37.09	60.21	87.53
<b>Operating profit before working capital changes</b>	<b>726.99</b>	<b>429.23</b>	<b>206.86</b>
<b>Adjustments for (increase)/decrease in Operating Assets:</b>			
(Increase) / Decrease in Trade Receivables	(143.18)	(18.30)	176.99
(Increase) / Decrease in Inventories	(63.91)	297.71	(146.36)
(Increase) / Decrease in Short Term Loans and advances	4.91	123.29	(53.25)
(Increase) / Decrease in Other Current Assets	(62.51)	(54.67)	(77.80)
(Increase) / Decrease in Non current assets	(0.28)	-	-
(Increase) / Decrease in Other Bank Balances	-	-	11.88
<b>Adjustments for increase/(decrease) in Operating Liabilities</b>			
Increase / (Decrease) in Trade Payables	(285.90)	149.20	(237.71)
Increase / (Decrease) in Other Current Liabilities	2.73	(3.29)	(17.58)
Increase / (Decrease) in Short Term Provisions (other than Income tax)	0.35	0.00	-
Increase / (Decrease) in Long Term Provisions	0.57	1.35	-
<b>Cash generated from operations</b>	<b>179.77</b>	<b>924.51</b>	<b>(136.97)</b>
Income Tax Paid	(133.74)	(5.79)	-
<b>Net Cash Flow from Operating Activities</b>	<b>46.03</b>	<b>918.71</b>	<b>(136.97)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment	(497.06)	(115.16)	(194.36)
Proceeds from Sale of Property, Plant and Equipment	10.45	80.23	0.25
Interest Income	2.01	0.79	0.57
Investment in capital work in progress	-	-	(16.05)
<b>Net Cash used in investing activities</b>	<b>(484.60)</b>	<b>(34.14)</b>	<b>(209.59)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	228.48	-	-
Proceeds/(Repayment) of Long Term Borrowing	60.40	(273.81)	91.94
Proceeds/(Repayment) of Short Term Borrowing	224.62	(566.73)	222.81
Finance Costs	(37.09)	(60.21)	(87.53)
<b>Net cash generated from Financing activities</b>	<b>476.40</b>	<b>(900.75)</b>	<b>227.23</b>
<b>Net Change in Cash and Cash Equivalents (A+B+C)</b>	<b>37.83</b>	<b>(16.17)</b>	<b>(119.33)</b>
<b>CASH &amp; CASH EQUIVALENT</b>			



Opening Balance	4.21	20.38	139.71
Net Change in Cash & Cash Equivalents	37.83	(16.17)	(119.33)
Closing Balance	<b>42.04</b>	<b>4.21</b>	<b>20.38</b>
<b>Components of cash &amp; cash equivalents</b>			
Cash & Bank Balances	42.04	4.21	10.05
Deposits with maturity of less than 3 months	-	-	10.32
Closing Balance	<b>42.04</b>	<b>4.21</b>	<b>20.38</b>
Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.			
This is the Restated Summary Statement of Cash Flows, referred to in our report of even date.			

**For Singhal Gupta & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:

004933C/C400028

Peer Review Certificate No.: 015053

Sd/-

**CA Chetan Singhal**

Partner

Membership Number: 420018

UDIN: 25420018BMHQQL2627

Place: Meerut

Date: July 26, 2025

**For and on behalf of**

**RACHIT PRINTS LIMITED**

Sd/-

**Anupam Kansal**

Managing Director

DIN:01982805

Sd/-

**Ayushi Verma**

Company Secretary and  
Compliance Officer

Sd/-

**Naina Kansal**

Whole Time Director

DIN: 02313363

Sd/-

**Garima Moorjani**

Chief Financial Officer



<b>RESTATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>
<b>ANNEXURE 4</b>
<b>1. General Information</b>
Rachit Prints Limited (Formerly known as "Rachit Prints Private Limited"), incorporated on March 31,2003 is engaged in processing and manufacturing of Cloth. The Company is a unlisted public limited company with its registered office in Meerut, Uttar Pradesh.
<b>2. Summary of Significant Accounting Policies</b>
<b>2.1 Basis of Preparation</b>
The Restated Summary Statement of the Assets and Liabilities, of the Company as at March 31,2025, March 31,2024, March 31,2023 the Restated Summary Statement of Profits and Losses and the Restated Summary Statement of Cash Flows, for the reporting financial years ended March 31,2025, March 31,2024, March 31,2023 (collectively referred to as 'Restated Summary Statements') have been compiled by the management of the Company from the audited financial statements of the Company for the financial years ended March 31,2025, March 31,2024, March 31,2023 and have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').
The audited financial statements were prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounting standard) Rules, 2021 (as amended). The audited financial statements were prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies were consistently applied by the Company unless otherwise stated.
Effective with effect from 01 April 2014, Schedule III notified under the Companies Act, 2013 was applicable to the Company for preparation and presentation of its financial statements. The adoption of Schedule III of the Companies Act, 2013 did not impact recognition and measurement principles followed for preparation of financial statements.
The Restated Summary Statement of the Assets and Liabilities, profits and losses and cash flows have been prepared to comply in all material respects with the requirement of Section 26(1)(b) of the Companies Act, 2013, read with rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended from time to time), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time).
<b>2.2 Operating Cycle</b>
Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.
<b>2.3 Use of Estimates</b>
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported amounts of income and expenses during the year. The Management believes that the estimates used in preparation of standalone financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed at each balance sheet date.
Future results could differ due to these estimates and the differences between the actual results and estimates are recognized in the periods in which the results are known/materialise.
<b>2.4 Revenue Recognition</b>
<b>(i) Sale of Goods</b>
Sales of goods are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.
The company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis.
Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.



<b>(ii) Interest Income</b>
Interest income is accrued on a time proportion basis, by reference to the principle outstanding and the effective interest rate applicable.
<b>2.5 Inventories</b>
Finished goods are valued at the lower of cost (First in First Out -FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
Raw Material is valued at cost (First in First Out -FIFO basis).
<b>2.6 Provisions and Contingencies</b>
A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.
<b>2.7 Intangible Assets</b>
Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed.
Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.
For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the combination.
A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Company. A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Company recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU.
<b>2.8 Property, Plant and Equipment</b>
Property, Plant and Equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. Acquisition Cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.



Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are arrived at cost are recognised in the Statement of Profit and Loss.
Depreciation has been provided in accordance with useful lives prescribed in the Companies Act, 2013 on Written Down Value method.
Depreciation on fixed assets has been provided on written down value method in accordance with the manner specified in Schedule II of the Companies Act, 2013.
<b>2.9 Cash and Cash Equivalents</b>
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>2.10 Cash Flow Statement</b>
Cash flows are reported using the indirect method, whereby net profit before extraordinary items and tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
<b>2.11 Taxes on Income</b>
Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.
<b>2.12 Earnings per Share</b>
Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax 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 considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the 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 presented. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.
<b>2.13 Employee Benefits</b>
The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity.
a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the



period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.
c. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.
<b>2.14 Government grants</b>
a. <b>Capital grant-</b> Government grants received towards specific fixed assets are reduced from the original cost of the specific fixed asset, during the year the company has received Rs. 6.30 lakhs (Rs. 80.23 lakhs in FY 2023-24, NIL in FY 2022-23) as capital grant.
b. <b>Revenue grant-</b> Government grants received towards interest on term loan has been reduced from the interest on long term borrowings, during the year the company has received Rs. 6.56 lakhs (Rs. 10.01 lakhs in FY 2023-24, Rs. 1.34 lakhs in FY 2022-23) as revenue grant.
<b>2.15 Foreign currency transactions</b>
<b>Initial recognition</b>
Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.
<b>Measurement of foreign currency monetary items at Balance Sheet date</b>
Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are restated at the financial year end rates.
<b>Exchange differences</b>
Exchange differences arising on settlement of monetary items are recognised as income or expense in the period in which they arise. Exchange difference arising on restatement of foreign currency monetary items as at the year end being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year.
<b>2.16 Borrowing costs</b>
Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence. The amount of borrowing cost capitalized during the year is 10.51 lakhs.
<b>2.17 Related party transactions</b>
Disclosure is being made separately for all the transactions with related parties in Annexure 35 of the financial statement as specified under AS 18 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.



(Rs. in Lakhs)

NOTES TO RESTATED SUMMARY STATEMENTS			
ANNEXURE 5			
1. Contingent liabilities and commitments			
Particulars	As at		
	March 31,2025	March 31,2024	March 31,2023
Claims against the Company not acknowledged as debts:			
-Wrongly availed input tax credit of GST	-	-	-
- Sales tax/entry tax	-	-	-
- Income tax	48.82	32.85	-
- GST Demand	-	-	-
- Others	-	-	-
2. Expenditure in Foreign Currency:			
Particulars	As at		
	March 31,2025	March 31,2024	March 31,2023
Purchase of Stores and Spares	1.76	-	-
Purchase of Machine	416.82	104.68	-
3. Earnings in foreign currency			
Particulars	As at		
	March 31,2025	March 31,2024	March 31,2023
Export of goods	-	-	-
4. Segment information			
The business activities of the Company predominantly fall within a single primary business and geographical segment, i.e., Processing and Manufacturing of Cloth. Thus, there are no separate reportable businesses or geographical segments that meet the criteria prescribed in Accounting Standard (AS-17) on Segment Reporting.			
5. Corporate Social responsibility (CSR)			
Provisions of Section 135 of Companies Act, 2013 are not applicable on the company. Hence, no provision for CSR expense has been made for the period ended March 31,2025 (March 31,2024: NIL, March 31,2023: NIL)			

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF RECONCILIATION OF RESTATED PROFIT/ (LOSS) TO PROFIT/ (LOSS) AS PER AUDITED FINANCIAL STATEMENTS			
ANNEXURE 6			
A	Material Regrouping		
Appropriate Adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.			
B	Material Adjustments		
The Summary of results of restatement made in the Audited Financial Statements for the respective years and its impact on the profit / (loss) of the Company is as follows:			
Particulars	For the Financial Year ended		
	March 31,2025	March 31,2024	March 31,2023
<b>Profit / (Loss) after Tax (as per audited financial statements) (i)</b>	456.18	205.34	32.30
<b>Add/(Less): Adjustments on account of -</b>			
Reclassification of Previous period Tax adjustments	-	2.35	-
<b>Total Adjustments (ii)</b>	-	2.35	-
<b>Restated Profit/ (Loss) (i+ii)</b>	<b>456.18</b>	<b>202.99</b>	<b>32.30</b>



(Rs. in Lakhs)

RESTATED STATEMENT OF SHARE CAPITAL			
ANNEXURE 7			
(Rs. in Lakhs)			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
<b>Authorized, Issued, Subscribed and Paid-up Share Capital</b>			
<b>Authorized</b>			
80,00,000 Equity Shares of Rupees 10.00 each	800.00	200.00	200.00
(March 31,2024: 2,00,000 Equity Shares of Rupees 100.00 each, March 31: 2023: 2,00,000 Equity Shares of Rupees 100.00 each			
	<b>800.00</b>	<b>200.00</b>	<b>200.00</b>
<b>Issued, Subscribed and Paid-Up</b>			
36,28,100 Equity Shares of Rupees 10.00 each	362.81	191.00	191.00
(March 31,2024: 1,91,000 Equity Shares of Rupees 100.00 each, March 31: 2023: 1,91,000 Equity Shares of Rupees 100.00 each			
<b>Total</b>	<b>362.81</b>	<b>191.00</b>	<b>191.00</b>

(Rs. in Lakhs)

a. Reconciliation of the number of shares and amount outstanding						
Particulars	As at March 31,2025		As at March 31,2024		As at March 31,2023	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>						
Outstanding at the beginning of the year	1,91,000	19.10	1,91,000	19.10	1,91,000	19.10
Add: Increase in the number of shares on account of share split (see note e below)	17,19,000	171.90	17,19,000	171.90	17,19,000	171.90
Add: Increase in the number of shares on account of bonus issue	14,32,500	143.25	-	-	-	-
Add: Increase in the number of shares on account of issuance of equity shares pursuant to preferential allotment.	2,85,600	28.56	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>36,28,100</b>	<b>362.81</b>	<b>19,10,000</b>	<b>191.00</b>	<b>19,10,000</b>	<b>191.00</b>

b. Details of equity shares held by each shareholder holding more than 5% shares						
Name of Shareholder	As at March 31,2025		As at March 31,2024		As at March 31,2023	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Mr. Anupam Kansal	16,67,750	45.97%	9,53,000	49.90%	9,53,000	49.90%
% Change in shareholding during the year		(3.93%)		0.00%		0.00%
Mrs. Naina Kansal	16,67,750	45.97%	9,53,000	49.90%	9,53,000	49.90%
% Change in shareholding during the year		(3.93%)		0.00%		0.00%



c. Details of Equity Shares held by promoters						
Promoters Name	As at March 31,2025		As at March 31,2024		As at March 31,2023	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Mr. Anupam Kansal	16,67,750	45.97%	9,53,000	49.90%	9,53,000	49.90%
Mrs. Naina Kansal	16,67,750	45.97%	9,53,000	49.90%	9,53,000	49.90%

d. Shares allotted without payment being received in cash, bonus shares allotted and shares bought back during the last 5 years
On 03/07/2024, 14,32,500 Equity shares of Rs. 10/- each issued as bonus.

e. Rights, Preferences and restrictions attached to equity shares
The Company has one class of equity shares having a par value of Rupees 10.00 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
The Board of Directors at their meeting held on May 18, 2024 approved the sub-division of each <b>equity</b> share of face value of INR 100.00 each fully paid up into 10 equity shares of face value of INR 10.00 each fully paid up. The same was approved by the members on May 21, 2024. The effective date of sub-division was May 21,2024.
The Board of Directors in its meeting held on June 06, 2024 have recommended for approval by shareholders, bonus issue of 6 (Six) equity share of INR 10.00 each for every 8 (Eight) <b>equity</b> shares of INR 10.00 each held by shareholders of the Company as on the record date, subject to approval of the shareholders.
Pursuant to the approval of the shareholders, the Company allotted 14,32,500 bonus equity shares of INR 10.00 each as fully paid-up bonus equity shares, in the proportion of 8 (Eight) equity share of INR 10.00 each for every 6 (Six) existing equity shares of INR 10.00 each to the equity shareholders of the Company as on record date of July 3,2024.
The Company allotted 2,85,600 equity shares of face value Rs. 10/- each at a premium of Rs. 70/- each on September 12, 2024 pursuant to the preferential allotment.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF RESERVES AND SURPLUS			
ANNEXURE 8			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
<b>Securities Premium</b>			
Opening balance	83.16	83.16	83.16
Add: Increase on issue of share capital	199.92	-	-
Less: Issue of Bonus Shares	(83.16)	-	-
Closing Balance	<b>199.92</b>	<b>83.16</b>	<b>83.16</b>
<b>Surplus in the Profit and Loss Statement</b>			
Opening balance	272.09	69.10	36.81
Add: Profit for the period	456.18	202.99	32.30
Less: Issue of Bonus Shares	(60.09)		
Closing Balance	<b>668.18</b>	<b>272.09</b>	<b>69.10</b>
<b>Total</b>	<b>868.10</b>	<b>355.25</b>	<b>152.26</b>
Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.			



(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF LONG TERM BORROWINGS</b>			
<b>ANNEXURE 9</b>			
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Secured</b>			
Loan from Banks	316.86	83.98	387.00
<b>Unsecured</b>			
Loan from Directors and their relatives	84.27	256.76	227.55
<b>Total</b>	<b>401.13</b>	<b>340.74</b>	<b>614.55</b>

**\* Note on Security of Loans**

(1) Loans taken for Vehicles/ Machinery are hypothecated against various vehicles and machineries held by the company.

(2) Loan taken from Banks

Collateral:

a) Industrial Plot No. 716 & 717 admeasuring 3670.12 sq. ft. & Office block admeasuring 600 sq. ft. situated in Revenue Vill Bana, Pargana- Hastinapur, Tehsil-Mawana, Meerut in the name of Mr Anupam Kansal and Mrs Naina Kansal.

b) Industrial property at Plot No. B-9,B- 10 & B-11, Udyog Puram, Delhi Road, Distt. Meerut on lease from UPSIDC admeasuring 3000 sq. mtrs. (land area) along with built up area of 30425 sqft in the name of Company.

c) Plot admeasuring 1260 sq. mtrs. with built up area of 3108 sqft along with boundary wall of 2522.50 sqft situated at Khasra No. 714, village Bana, Mawana Road, Meerut owned by Mr Anupam Kansal and Mrs Naina Kansal.

Guarantee: Personal Guarantees of the Directors

(a) Mr. Anupam Kansal

(b) Mrs. Naina kansal

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF DEFERRED TAX LIABILITIES / ASSETS (NET)</b>			
<b>ANNEXURE 10</b>			
<b>(a) Component of deferred tax assets and liabilities are:-</b>			
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Deferred Tax Liabilities on account of:</b>			
Property, plant and equipments	13.26	4.64	1.39
<b>Total deferred tax liabilities (A)</b>	<b>13.26</b>	<b>4.64</b>	<b>1.39</b>
<b>Deferred Tax Assets on account of:</b>			
Property, plant and equipments	-	-	-
Provision for Gratuity	0.57	0.34	-
<b>Total deferred tax assets (B)</b>	<b>0.57</b>	<b>0.34</b>	<b>-</b>
<b>Disclosed as Deferred Tax (Assets) / Liabilities (Net - A-B)</b>	<b>12.68</b>	<b>4.30</b>	<b>1.39</b>



(Rs. in Lakhs)

Movement in deferred tax liabilities / asset	As at March 31, 2022	Recognised in profit & loss	As at March 31, 2023
<b>Deferred Tax Liabilities (A)</b>			
Property, Plant and Equipments	-	1.39	1.39
<b>Total</b>	-	<b>1.39</b>	<b>1.39</b>
<b>Deferred Tax Assets (B)</b>			
Property, Plant and Equipments	2.09	(2.09)	-
Provision for Gratuity	-	-	-
	<b>2.09</b>	<b>(2.09)</b>	-
<b>Deferred tax (Assets) / Liabilities (Net - A-B)</b>	<b>(2.09)</b>	<b>3.48</b>	<b>1.39</b>
Movement in deferred tax liabilities / asset	As at March 31, 2023	Recognised in profit & loss	As at March 31, 2024
<b>Deferred Tax Liabilities (A)</b>			
Property, Plant and Equipments	1.39	3.25	4.64
<b>Total</b>	<b>1.39</b>	<b>3.25</b>	<b>4.64</b>
<b>Deferred Tax Assets (B)</b>			
Property, Plant and Equipments	-	-	-
Provision for Gratuity	-	0.34	0.34
	-	<b>0.34</b>	<b>0.34</b>
<b>Deferred tax (Assets) / Liabilities (Net - A-B)</b>	<b>1.39</b>	<b>2.91</b>	<b>4.30</b>
Movement in deferred tax liabilities / asset	As at March 31, 2024	Recognised in profit & loss	As at March 31, 2025
<b>Deferred Tax Liabilities (A)</b>			
Property, Plant and Equipments	4.64	8.62	13.26
<b>Total</b>	<b>4.64</b>	<b>8.62</b>	<b>13.26</b>
<b>Deferred Tax Assets (B)</b>			
Property, Plant and Equipments	-	-	-
Provision for Gratuity	0.34	0.23	0.57
	<b>0.34</b>	<b>0.23</b>	<b>0.57</b>
<b>Deferred tax (Assets) / Liabilities (Net - A-B)</b>	<b>4.30</b>	<b>8.39</b>	<b>12.68</b>

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF LONG TERM PROVISIONS			
ANNEXURE 11			
Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	1.92	1.35	-
<b>Total</b>	<b>1.92</b>	<b>1.35</b>	-
<b>Note:</b> The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.			



(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF SHORT TERM BORROWINGS			
ANNEXURE 12			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
<b>Secured</b>			
Current maturities from long term borrowings	144.33	70.89	93.68
Loans repayable on Demand <sup>^</sup>	377.96	226.79	770.72
<b>Total</b>	<b>522.29</b>	<b>297.68</b>	<b>864.40</b>

**<sup>^</sup>Note on security**

**A) Cash credit:**

Primary: Exclusive charge by way of hypothecation of Inventory and book debts of the company

Collateral: Industrial Plot No. 716 & 717 admeasuring 3670.12 sq. ft. & Office block admeasuring 600 sq. ft. situated in Revenue Villbana, Pargana- Hastinapur, Tehsil-Mawana, Meerut in the name of Mr Anupam Kansal and Mrs Naina Kansal

**B) Emergency Credit Line Guarantee Scheme (ECLGS)**

Collateral:

a) Industrial Plot No. 716 & 717 admeasuring 3670.12 sq. ft. & Office block admeasuring 600 sq. ft. situated in Revenue VillBana, Pargana- Hastinapur, Tehsil-Mawana, Meerut in the name of Mr. Anupam Kansal and Mrs Naina Kansal.

b) Industrial property at Plot No. B-9,B- 10 & B-11, Udyog Puram, Delhi Road, Distt. Meerut on lease from UPSIDC admeasuring 3000 sq. mtr. (land area) along with built up area of 30425 sq.ft. in the name of Company.

c) Plot admeasuring 1260 sq. mtrs. with built up area of 3108 sqft along with boundary wall of 2522.50 sqft situated at Khasra No. 714, village Bana, Mawana Road, Meerut owned by Mr. Anupam Kansal and Mrs. Naina Kansal.

Guarantee: Personal Guarantees of the Directors

(a) Mr. Anupam Kansal

(b) Mrs. Naina Kansal

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF TRADE PAYABLES			
ANNEXURE 13			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
Total outstanding dues of micro and small enterprises	7.09	24.19	-
Total outstanding dues other than micro and small enterprises	328.26	597.05	472.05
<b>Total</b>	<b>335.35</b>	<b>621.25</b>	<b>472.05</b>

(Rs. in Lakhs)

Trade Payable Ageing Schedule					
Particulars	Outstanding for following periods from the due date of payment				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
<b>As at March 31, 2023</b>					
Undisputed					
(a) Micro, small and medium enterprises					
(b) others	434.22	9.39	8.73	19.71	472.05
Disputed					



(a) Micro, small and medium enterprises					
(b) others					
<b>Total</b>	<b>434.22</b>	<b>9.39</b>	<b>8.73</b>	<b>19.71</b>	<b>472.05</b>
<b>As at March 31, 2024</b>					
Undisputed					
(a) Micro, small and medium enterprises	24.19	-	-	-	24.19
(b) others	553.13	33.00	-	10.92	597.05
Disputed					
(a) Micro, small and medium enterprises					
(b) others					
<b>Total</b>	<b>577.32</b>	<b>33.00</b>	<b>-</b>	<b>10.92</b>	<b>621.25</b>
<b>As at March 31, 2025</b>					
Undisputed					
(a) Micro, small and medium enterprises	7.09	-	-	-	7.09
(b) others	323.36	1.95	-	2.95	328.26
Disputed					
(a) Micro, small and medium enterprises					
(b) others					
<b>Total</b>	<b>330.45</b>	<b>1.95</b>	<b>-</b>	<b>2.95</b>	<b>335.35</b>
Note:1. The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.					
2. There were no unbilled trade payables.					

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF OTHER CURRENT LIABILITIES			
ANNEXURE 14			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
Advance from Customers	0.81	5.00	1.42
Interest Payable	0.97	-	-
Other Payables	28.93	22.98	29.85
<b>TOTAL</b>	<b>30.71</b>	<b>27.98</b>	<b>31.27</b>
<b>Note:</b> The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.			

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF SHORT TERM PROVISIONS			
ANNEXURE 15			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
Provision for Taxation (net of advance tax)	73.15	62.48	-
Provision for Gratuity	0.36	-	-
<b>Total</b>	<b>73.51</b>	<b>62.49</b>	<b>-</b>
<b>Note:</b> The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.			



(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF PROPERTY, PLANT AND EQUIPMENT								
ANNEXURE 16								
Financial Year ended March 31,2023								
Gross Block	Leasehold land	Factory Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Computers	Office Equipments	Total
Balance as at April 1, 2022	27.76	15.45	824.53	4.91	18.66	4.46	28.37	<b>924.14</b>
Additions for the period	-	-	190.12	1.00	-	0.23	3.02	<b>194.36</b>
Disposals	-	-	-	-	(3.90)	-	-	<b>(3.90)</b>
<b>Balance as at March 31,2023</b>	<b>27.76</b>	<b>15.45</b>	<b>1,014.64</b>	<b>5.91</b>	<b>14.76</b>	<b>4.69</b>	<b>31.39</b>	<b>1,114.60</b>
<b>Accumulated Depreciation</b>								
Balance as at April 1, 2022	-	8.02	365.31	3.82	12.96	4.10	21.89	<b>416.09</b>
Depreciation for the year	-	-	79.89	0.31	1.54	0.20	2.16	<b>84.09</b>
Eliminated on disposal of assets	-	-	-	-	(3.61)	-	-	<b>(3.61)</b>
<b>Balance as at March 31,2023</b>	<b>-</b>	<b>8.02</b>	<b>445.19</b>	<b>4.13</b>	<b>10.89</b>	<b>4.29</b>	<b>24.05</b>	<b>496.57</b>
<b>Net Block</b>								
Balance as at March 31,2022	27.76	7.43	459.22	1.09	5.71	0.36	6.48	<b>508.05</b>
Balance as at March 31,2023	27.76	7.43	569.45	1.78	3.88	0.39	7.34	<b>618.03</b>
Financial Year ended March 31,2024								
Gross Block	Leasehold land	Factory Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Computers	Office Equipments	Total
Balance as at April 1,2023	27.76	15.45	1,014.64	5.91	18.37	4.69	31.39	1,118.21
Additions for the period	-	-	115.16	16.05	-	-	-	131.21
Disposals	-	-	80.23	-	-	-	-	80.23



<b>Balance as at March 31,2024</b>	<b>27.76</b>	<b>15.45</b>	<b>1,049.57</b>	<b>21.96</b>	<b>18.37</b>	<b>4.68</b>	<b>31.39</b>	<b>1,169.19</b>
<b>Accumulated Depreciation</b>								
Balance as at 1-April-2023	-	8.02	445.19	4.13	14.49	4.29	24.05	<b>500.18</b>
Depreciation for the year	-	-	92.69	0.44	0.48	0.12	1.92	95.64
Eliminated on disposal of assets	-	-	-	-	-	-	-	11.88
<b>Balance as at March 31,2024</b>	<b>-</b>	<b>8.02</b>	<b>537.88</b>	<b>4.56</b>	<b>14.98</b>	<b>4.41</b>	<b>25.97</b>	<b>595.82</b>
<b>Net Block</b>								
Balance as at March 31,2023	27.76	7.43	569.45	1.78	3.88	0.39	7.34	<b>618.03</b>
Balance as at March 31,2024	27.76	7.43	511.69	17.40	3.40	0.27	5.42	<b>573.37</b>
<b>Financial Year ended March 31,2025</b>								
<b>Gross Block</b>	<b>Leasehold land</b>	<b>Factor y Building</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Fixtures</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Office Equipments</b>	<b>Total</b>
Balance as at April 1,2024	27.76	15.45	1,049.57	21.96	18.37	4.68	31.39	1,169.19
Additions for the period	-	-	468.50	-	28.56	-	-	497.06
Disposals	-	-	8.47	-	-	-	-	8.47
<b>Balance as at April 1,2024</b>	<b>27.76</b>	<b>15.45</b>	<b>1,509.59</b>	<b>21.97</b>	<b>46.93</b>	<b>4.67</b>	<b>31.39</b>	<b>1,657.77</b>
<b>Accumulated Depreciation</b>								
Balance as at April 1,2024	-	8.02	537.88	4.56	14.98	4.41	25.97	<b>595.82</b>
Additions for the period	-	-	74.80	0.32	8.35	0.03	1.41	84.92
Disposals	-	-	-	-	-	-	-	-



<b>Balance as at April 1, 2024</b>	-	<b>8.02</b>	<b>612.68</b>	<b>4.89</b>	<b>23.33</b>	<b>4.45</b>	<b>27.37</b>	<b>680.73</b>
<b>Net Block</b>								
Balance as at March 31, 2024	27.76	7.43	511.69	17.40	3.40	0.27	5.42	<b>573.37</b>
Balance as at March 31, 2025	27.76	7.43	896.91	17.09	23.60	0.22	4.01	<b>977.04</b>

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF CAPITAL WORK IN PROGRESS		
ANNEXURE 17		
Particulars	Building	Total
<b>As at April 1, 2022</b>	-	-
Add : Additions during the year	16.05	16.05
<b>Closing balance as at March 31, 2023</b>	<b>16.05</b>	16.05
Add : Additions during the year	-	-
Less: Transferred to Factory Building	(16.05)	(16.05)
<b>Closing balance as at March 31, 2024</b>	-	-
Add : Additions during the year	-	-
<b>Closing balance as at March 31, 2025</b>	-	-

(Rs. in Lakhs)

Ageing of Capital work in progress is as below:					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
<i>Projects in Progress</i>					
As at March 31, 2025	-	-	-	-	-
As at March 31, 2024	-	-	-	-	-
As at March 31, 2023	16.05	-	-	-	<b>16.05</b>
As on the Balance Sheet date, there are no capital work in progress whose completion is overdue or has exceeded the cost, based on approved plan.					

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF OTHER NON CURRENT ASSETS			
ANNEXURE 18			
Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Security Deposits (Unsecured, considered good)	6.95	6.67	6.67
<b>Total</b>	<b>6.95</b>	<b>6.67</b>	<b>6.67</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.



(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF TRADE RECEIVABLES			
ANNEXURE 19			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
(i) Undisputed Trade receivables-considered good	748.04	650.52	632.21
(ii) Undisputed Trade receivables-considered doubtful	-	-	-
(iii) Disputed Trade receivables-considered good	45.67	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-
Less: Provision for Doubtful Debts	-	-	-
<b>Total</b>	<b>793.70</b>	<b>650.52</b>	<b>632.21</b>

(Rs. in Lakhs)

<u>Ageing Schedule as March 31,2023</u>						
Particulars	Less than 6 months	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	478.68	91.63	4.65	16.63	40.62	632.21
(ii) Undisputed Trade receivables-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-
<b>TOTAL</b>	<b>478.68</b>	<b>91.63</b>	<b>4.65</b>	<b>16.63</b>	<b>40.62</b>	<b>632.21</b>
<u>Ageing Schedule as March 31,2024</u>						
Particulars	Less than 6 months	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	529.74	19.22	59.14	1.83	40.59	650.52
(ii) Undisputed Trade receivables-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-
<b>TOTAL</b>	<b>529.74</b>	<b>19.22</b>	<b>59.14</b>	<b>1.83</b>	<b>40.59</b>	<b>650.52</b>
<u>Ageing Schedule as March 31,2025</u>						
Particulars	Less than 6 months	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	663.19	5.89	10.39	53.74	5.13	738.35
(ii) Undisputed Trade receivables-considered doubtful	-	-	-	-	-	-



(iii) Disputed Trade receivables-considered good	3.50	3.97	3.45	-	34.96	45.88
(iv) Disputed Trade receivables-considered doubtful	-	-	-	-	-	-
<b>TOTAL</b>	<b>666.70</b>	<b>9.87</b>	<b>13.84</b>	<b>53.74</b>	<b>40.09</b>	<b>784.23</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF INVENTORIES			
ANNEXURE 20			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
Finished goods	36.02	11.69	92.06
Raw Material	328.82	295.51	433.89
Work in Progress	31.20	49.80	93.55
Stores and Spares	2.35	2.30	37.52
Stock in transit	24.82	-	-
<b>Total</b>	<b>423.21</b>	<b>359.31</b>	<b>657.01</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF CASH AND CASH EQUIVALENTS			
ANNEXURE 21			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
Cash in Hand	31.26	0.08	7.05
Balances with Banks			
(i) Current Accounts	10.78	4.13	3.00
(ii) Deposits with maturity of less than 3 months	-	-	10.32
<b>Total</b>	<b>42.04</b>	<b>4.21</b>	<b>20.38</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF OTHER BANK BALANCES			
ANNEXURE 22			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
Balances with banks to the extent held as margin money for more than 3 months but less than 12 months	-	-	-
Deposits with banks held for more than 3 months but less than 12 months	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the



Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF SHORT TERM LOANS AND ADVANCES			
ANNEXURE 23			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
<i>Unsecured, considered good:</i>			
Advances to			
- Suppliers	5.10	10.02	133.31
- Employees	-	-	-
Other Receivable	-	-	-
<b>Total</b>	<b>5.10</b>	<b>10.02</b>	<b>133.31</b>

**Note:** The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF OTHER CURRENT ASSETS			
ANNEXURE 24			
Particulars	As at March 31,2025	As at March 31,2024	As at March 31,2023
<i>Unsecured, considered good:</i>			
Balance with Direct Tax government Authorities			
-Income tax refund Receivable of previous years	10.43	10.43	10.77
- Payment Under Protest	-	-	2.00
Balance with Indirect Tax government authorities			
- Goods and Services Tax credit	265.86	235.34	180.30
- Goods and Services Tax refund receivable	22.31	21.05	20.29
Prepaid Expenses	2.36	2.24	1.02
IPO Exps.	20.64	-	-
Rebate & Discount Receivable	6.22	-	-
Prepaid Bank Charges	3.75	-	-
Insurance Claim Receivable	28.88	28.88	28.88
<b>Total</b>	<b>360.44</b>	<b>297.93</b>	<b>243.26</b>

**Note:** The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF INCOME FROM OPERATIONS			
ANNEXURE 25			
Particulars	For the Financial Years ended		
	March 31,2025	March 31,2024	March 31,2023
Sale of Products			
- Finished Goods	4,140.76	3,622.90	3,115.93
- Traded Goods	4.12	25.94	66.17
<b>Other operating revenues</b>			
Job Work Income	25.44	59.42	50.11
<b>Total</b>	<b>4,170.32</b>	<b>3,708.26</b>	<b>3,232.21</b>

**Note:** The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the



Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF OTHER INCOME			
ANNEXURE 26			
Particulars	For the Financial Years ended		
	March 31,2025	March 31,2024	March 31,2023
Interest Income			
- From Deposits held	2.01	0.79	0.57
- Delayed payment from trade receivables	-	-	-
Profit on disposal of Property, Plant and Equipment	1.98	-	-
Rebate & Discount	4.12	2.06	5.97
<b>Total</b>	<b>8.11</b>	<b>2.85</b>	<b>6.54</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF COST OF MATERIALS CONSUMED			
ANNEXURE 27			
Particulars	For the Financial Years ended		
	March 31,2025	March 31,2024	March 31,2023
Balance at the beginning of the year	295.51	456.84	241.11
Add: Purchases	2602.10	2,122.83	2,168.61
Less: Balance at the end of the year	(328.82)	(295.51)	(456.84)
<b>Total</b>	<b>2,568.79</b>	<b>2,284.16</b>	<b>1,952.88</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF PURCHASES OF STOCK IN TRADE/TRADED GOODS			
ANNEXURE 28			
Particulars	For the Financial Years ended		
	March 31,2025	March 31,2024	March 31,2023
Purchases	3.41	20.66	51.57
<b>Total</b>	<b>3.41</b>	<b>20.66</b>	<b>51.57</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.



(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>			
<b>ANNEXURE 29</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>Opening Stock</b>			
Finished Goods	11.69	92.06	175.39
Work in Progress	49.80	93.55	91.20
<b>(A)</b>	<b>61.50</b>	<b>185.61</b>	<b>266.59</b>
<b>Closing Stock</b>			
Finished Goods	36.02	11.69	92.06
Work in Progress	31.20	49.80	93.55
<b>(B)</b>	<b>67.22</b>	<b>61.50</b>	<b>185.61</b>
<b>Total (A-B)</b>	<b>(5.72)</b>	<b>124.11</b>	<b>80.98</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF EMPLOYEE BENEFIT EXPENSES</b>			
<b>ANNEXURE 30</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
Wages and salaries	251.37	224.18	236.28
Contribution to provident and other funds	2.81	2.62	2.56
Gratuity Expense	0.92	1.35	-
Staff Welfare Expenses	3.32	1.53	1.03
<b>Total</b>	<b>258.42</b>	<b>229.69</b>	<b>239.87</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF FINANCE COSTS</b>			
<b>ANNEXURE 31</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
Interest expense on			
(i) Working capital facilities	27.18	35.46	45.21
(ii) Term Loan	9.86	23.83	34.30
(iii) Others	0.04	0.92	8.02
<b>Total</b>	<b>37.09</b>	<b>60.21</b>	<b>87.53</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.



(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSE</b>			
<b>ANNEXURE 32</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
Depreciation on Property, Plant and Equipment	84.92	95.64	84.09
<b>Total</b>	<b>84.92</b>	<b>95.64</b>	<b>84.09</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF OTHER EXPENSES</b>			
<b>ANNEXURE 33</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
Packing Expenses	41.64	34.10	28.72
Kundi & Calendering Expenses	54.60	56.56	55.92
Washing Expenses	63.00	85.83	80.85
Power & Fuel Expenses	234.22	276.00	350.30
Finishing & Standing Expenses	2.87	4.32	5.09
Loading and Unloading expenses	7.66	6.04	7.57
Sewing	9.67	14.06	13.70
Frame	0.24	-	0.91
Consumption of Stores and Spares	8.03	0.95	1.08
Checking & Finishing Expenses	18.10	16.56	15.20
Screen Making Charges	3.99	4.18	5.23
Business Promotion Expenses	21.47	2.16	9.67
Commission	2.34	24.05	47.94
Donation	1.46	0.25	0.36
Security Hire Charges	-	-	3.87
Festival Expenses	2.14	0.40	0.60
Freight Outward	47.17	48.24	31.15
Insurance Charges	2.79	2.16	3.03
Legal & Professional Expenses	2.39	1.58	1.33
Membership & Subscription	0.25	0.23	0.05
Miscellaneous Expenses	0.37	0.03	0.07
Loss on sale of assets	-	-	0.04
Office Expenses	0.25	2.16	2.26
Postage & Telegram	0.35	0.38	0.37
Printing & Stationary	2.19	0.61	0.87
Rate & Taxes	5.81	2.20	16.55
Repair & Maintenance	42.05	29.65	15.49
Telephone Expenses	0.22	0.07	0.40
Travelling and Conveyance	5.22	1.25	6.53
Vehicle Running & Maintenance	6.08	3.20	0.93
Building Repair	10.97	4.78	-
Computer Maintenance	0.24	0.25	-
Fire Fighting Expenses	0.82	-	-
Board Meeting Fee	0.21	-	-
GST Exps.	22.22	-	-
Kanta Exps.	0.21	-	-
Software Exps.	0.39	-	-
Website Exps.	0.19	-	-
Lease Rent	0.72	0.21	-
<b>Total</b>	<b>622.55</b>	<b>622.46</b>	<b>706.07</b>



<b>Legal and Professional Charges includes fees to auditors as follows:</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
Statutory Audit	0.50	0.25	0.60
Tax Audit	0.25	-	-
Reimbursement of Expenses	-	-	-
<b>Total</b>	<b>0.75</b>	<b>0.25</b>	<b>0.60</b>

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.

(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF EARNINGS PER SHARE</b>			
<b>ANNEXURE 34</b>			
<b>Particulars</b>	<b>For the Financial Years ended</b>		
	<b>March 31,2025</b>	<b>March 31,2024</b>	<b>March 31,2023</b>
Net profit after tax attributable to shareholders	4,56,17,601	2,02,98,812	32,29,676
Weighted average number of equity shares outstanding during the year <sup>^</sup>	34,99,776	33,42,500	33,42,500
Nominal value per share	10.00	10.00	10.00
Basic Earning Per Share	13.03	6.07	0.97
Diluted Earning Per Share	13.03	6.07	0.97

<sup>^</sup>Earnings per share for the Periods ended March 31,2024 and March 31, 2023 has been arrived at after giving effect to the sub-division of equity shares and bonus issue of shares subsequent to Financial Year ended March 31, 2024. Also see note 7(e)and 7(f).

Note: The above statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4. Restated Summary Statement of Notes to Restated Summary Statements of the Company in Annexure 5 and the Restated Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per audited Financial Statements in Annexure 6.



(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF RELATED PARTY TRANSACTIONS				
ANNEXURE 35				
Information on Related Party Transactions as required by AS 18 - 'Related Party Disclosures'				
1. Description of related parties				
a) Key Management Personnel (KMP) & Directors				
Name	Designation			
Anupam Kansal	Managing Director			
Naina Kansal (w.e.f. October 01, 2024)	Whole-Time Director			
Rose Kansal (w.e.f. 6-June-2024)	Non-Executive Director			
Ayushi Verma (w.e.f. October 01, 2024)	Company Secretary & Compliance Officer			
Garima Moorjani (w.e.f. November 18, 2024)	Chief Financial Officer			
b) Relatives of Key Management Personnel & Directors				
Name	Relation			
Indra Jaitly	Mother of Naina Kansal			
Rose Kansal	Daughter of Anupam Kansal & Naina Kansal			
Karan Kansal	Son of Anupam Kansal & Naina Kansal			
Shivani Jaitly	Sister-in-Law of Naina Kansal			
Kanti Kansal	Mother of Anupam Kansal			
Suneeti Gupta	Sister of Anupam Kansal			
c) Enterprises significantly influenced / controlled by KMP & Directors and their relatives				
Anupam Kansal HUF				
Elite Traders				
2. Details of Related Party Transactions during the year				
Name of related party & Nature of relationship	Nature of Transactions	For the Financial Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
<b>Key Management Personnel (KMP)</b>				
Anupam Kansal	Employee benefit expenses	30.00	24.00	24.00
Anupam Kansal	Loan Taken	9.50	10.00	91.11
Anupam Kansal	Repayment Of Loan	48.45	18.05	39.12
Naina Kansal	Employee benefit expenses	30.00	24.00	24.00
Naina Kansal	Loan Taken	98.74	227.50	125.61
Naina Kansal	Repayment Of Loan	230.71	190.69	5.56
Ayushi Verma	Employee benefit expenses	2.56	-	-
Garima Moorjani	Employee benefit expenses	1.25	-	-
<b>Relatives of Key Management Personnel &amp; Directors</b>				
Rose Kansal	Employee benefit expenses	3.50	6.09	6.10
Rose Kansal	Loan Taken	-	15.25	-
Rose Kansal	Repayment Of Loan	1.32	15.05	85.11
Rose Kansal	Interest Paid	-	-	2.49
Karan Kansal	Employee benefit expenses	6.00	5.50	-
Karan Kansal	Loan Taken	-	0.25	-
Karan Kansal	Repayment Of Loan	0.25	0.00	-
Indra Jaitly	Washing wages	-	15.72	19.56



Shivani Jaitly	Kundi Calendering wages	12.69	10.26	21.17
Kanti Kansal	Repayment Of Loan	-	-	0.51
Kanti Kansal	Interest Paid	-	-	1.93
Suneeti Gupta	Washing wages	11.45	20.21	20.16

**Enterprises significantly influenced / controlled by KMP & Directors and their relatives**

Anupam Kansal HUF	Sale of Goods	-	-	18.88
Elite Traders	Sale of Goods	262.86	141.03	132.27
Anupam Kansal HUF	Purchase	-	36.07	25.68
Elite Traders	Purchase	133.03	91.70	82.19

**3. Closing balance at the end of the year**

Name of related party & Nature of relationship	Nature of Transactions	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Anupam Kansal	Loan Taken	42.72	81.67	89.72
Naina Kansal	Loan Taken	32.99	164.95	128.14
Karan Kansal	Loan Taken	-	0.25	-
Rose Kansal	Loan Taken	8.57	9.89	9.69

(Rs. in Lakhs)

RESTATED SUMMARY OF RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES			
ANNEXURE 36			
Particulars	As at April 1, 2024	Net Cash flows	As at March 31, 2025
Non-current borrowings	340.74	60.40	401.13
Current borrowings	297.68	224.62	522.29
<b>Total liabilities from financing activities</b>	<b>638.41</b>	<b>285.01</b>	<b>923.43</b>
Particulars	As at April 1, 2023	Net Cash flows	As at March 31, 2024
Non-current borrowings	614.55	(273.81)	340.74
Current borrowings	864.40	(566.73)	297.68
<b>Total liabilities from financing activities</b>	<b>1,478.95</b>	<b>(840.54)</b>	<b>638.41</b>
Particulars	As at April 1, 2022	Net Cash flows	As at March 31, 2023
Non-current borrowings	522.60	91.94	614.55
Current borrowings	641.59	222.81	864.40
<b>Total liabilities from financing activities</b>	<b>1,164.19</b>	<b>314.76</b>	<b>1,478.95</b>



Particulars	Methodology	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1	<b>Current Ratio</b>			
	Current Ratio = Current Assets/Current Liabilities	1.69	1.31	1.23
	% change from previous year	28.96%	6.23%	N.A.
	Reason for variance in the ratio by more than 25%	Current assets increased	-	N.A.
2	<b>Debt-Equity Ratio</b>			
	Debt-Equity Ratio = Total Debt/Equity	0.75	1.17	4.31
	% change from previous year	(35.81%)	(72.87%)	N.A.
	Reason for variance in the ratio by more than 25%	Equity base increased	Decrease in debt	N.A.
3	<b>Debt Service Coverage Ratio</b>			
	Debt Service Coverage Ratio = EBDITA/Debt Service	19.49	7.10	2.29
	% change from previous year	174.67%	209.20%	N.A.
	Reason for variance in the ratio by more than 25%	Increase in EBITDA	Increase in EBITDA	N.A.
4	<b>Return on Equity Ratio</b>			
	Return on Equity Ratio= Profit After Tax/Shareholders Fund	0.51	0.46	0.10
	% change from previous year	12.48%	362.26%	N.A.
	Reason for variance in the ratio by more than 25%	N.A.	Increase in Profit	N.A.
5	<b>Inventory Turnover Ratio</b>			
	Inventory Turnover Ratio= COGS/ Average Inventory	6.56	4.78	3.57
	% change from previous year	37.23%	33.82%	N.A.
	Reason for variance in the ratio by more than 25%	Average inventory Increased	Average inventory Increased	N.A.
6	<b>Trade Receivables Turnover Ratio</b>			
	Trade receivables turnover ratio= Net sales/Average Trade receivable	5.78	5.78	4.48
	% change from previous year	(0.11%)	28.92%	N.A.
	Reason for variance in the ratio by more than 25%	N.A.	Greater increase in sales and decrease in average trade receivable	N.A.
7	<b>Trade Payables turnover ratio</b>			
	Trade Payables turnover ratio= Total Purchases /Average Trade Payable	5.45	4.18	3.39
	% change from previous year	30.37%	23.18%	N.A.



	Reason for variance in the ratio by more than 25%	Decrease in average trade payables	N.A.	N.A.
<b>8</b>				
<b>Net Capital Turnover Ratio</b>				
	Net Capital Turnover Ratio= Net sales/Working Capital	6.29	11.86	10.15
	% change from previous year	(46.95%)	16.88%	N.A.
	Reason for variance in the ratio by more than 25%	Increase in working capital	-	N.A.
<b>9</b>				
<b>Net Profit Ratio</b>				
	Net Profit Ratio= Profit After Tax/Net sales	10.94%	5.47%	1.00%
	% change from previous year	99.83%	447.82%	N.A.
	Reason for variance in the ratio by more than 25%	Increase in Profit	Increase in Profit	N.A.
<b>10</b>				
<b>Return on Capital Employed</b>				
	Return on Capital Employed= EBIT/Capital Employed	29.61%	27.98%	6.41%
	% change from previous year	5.82%	336.76%	N.A.
	Reason for variance in the ratio by more than 25%	N.A.	Increase in Profit and Decrease in Debt Amount	N.A.
<b>11</b>				
<b>Return on Investment</b>				
	Return on Investment= (Interest income, net gain on sale of investments and net fair value gain over average investments)/Average investment	Not Applicable	Not Applicable	Not Applicable
<b>Notes</b>				
EBIT - Earnings before interest and taxes				
PBIT - Profit before interest and taxes including other income.				
EBITDA - Earnings before interest, taxes, depreciation and amortisation less other income.				
PAT - Profit after taxes.				
Debt includes Short Term Borrowing and Long- Term Borrowing				
Net worth includes Shareholder capital and Reserve and Surplus				
Net sales means Revenue from Operations				
Capital employed refers to Total Shareholders' Fund and Total Debt (Short Term Borrowing and Long- Term Borrowing).				



<b>OTHER REGULATORY REQUIREMENTS</b>
<b>ANNEXURE 38</b>
(a) The company has no such title deeds of Immovable Property which are not held in name of the Company.
(b) The company has not made any revaluation of PPE.
(c) There are no Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.
(d) Company has no Intangible assets under Development.
(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
(f) The Company has not been sanctioned working capital limits in excess of Rs. 5.00 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets during the financial years ended March 31,2025, March 31,2024 and March 31,2023.
(g) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
(h) The company does not have any relationship with companies struck off (as defined by Companies Act, 2013) and did not enter into transactions with any such company during the financial years ended March 31,2025, March 31,2024 and March 31,2023.
(i) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
(j) Compliance With number of Layers of Company- Not applicable
(k) Compliance with approved Scheme(s) of Arrangements- Not applicable
(l) The company has duly utilised the borrowed funds and share premium.
(m) The Company did not enter transactions in Cryptocurrency or Virtual currency during the financial years ended March 31,2025, March 31,2024 and March 31,2023.
(n) CSR Provisions are not applicable on the company.
(o) The Company do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

*(Rs. in Lakhs)*

<b>EMPLOYMENT BENEFIT OBLIGATIONS</b>			
<b>ANNEXURE 39</b>			
Particulars	As at March 31,2025		
	Current	Non-Current	Total
<b>Gratuity</b>			
Present value of defined benefit obligation	0.36	1.92	2.27
<b>Total employee benefit obligations</b>	<b>0.36</b>	<b>1.92</b>	<b>2.27</b>
Particulars	As at March 31,2024		
	Current	Non-Current	Total
<b>Gratuity</b>			
Present value of defined benefit obligation	0.00	1.35	1.35
<b>Total employee benefit obligations</b>	<b>0.00</b>	<b>1.35</b>	<b>1.35</b>



Particulars	As at March 31, 2023		
	Current	Non-Current	Total
<b>Gratuity</b>			
Present value of defined benefit obligation	-	-	-
<b>Total employee benefit obligations</b>	-	-	-
<b>(a) Defined Benefit Plans</b>			
<b>Gratuity</b>			
The Company operates a defined benefit gratuity plan for its employees. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of INR 20.00 lakhs			

(Rs. in Lakhs)

<b>i) Movement of defined benefit obligation :</b>			
The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:			
Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
<b>Opening defined benefit obligation (A)</b>	1.35	-	-
Service Cost	0.10	1.59	-
Interest cost	0.46	0.08	-
Expected return on plan assets	-	-	-
Actuarial (Gains)/Losses	0.36	(0.32)	-
Benefits paid	-	-	-
<b>Total amount recognised in profit or loss (B)</b>	<b>0.92</b>	<b>1.35</b>	-
<b>Closing defined benefit obligation (A+B)</b>	<b>2.27</b>	<b>1.35</b>	-
<b>ii) Movement of Fair Value of Plan Assets</b>			
Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Fair value of Plan Assets at the beginning of the period	-	-	-
Expected Return on Plan Assets	-	-	-
Acquisition/Business Combination/Divestiture	-	-	-
Assets extinguished on Settlements / Curtailments	-	-	-
Actual Company Contributions	-	-	-
Actual Plan Participants' Contributions	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-
Actuarial Gains/(Losses)	-	-	-
Benefit Paid	-	-	-
<b>Fair value of Plan Assets at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>iii) Principal assumptions used in determining gratuity obligations for the Company's plan are shown below:</b>			
Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Discount Rate	6.59%	7.18%	Not
Salary Growth Rate	5.00%	5.00%	Applicable



Attrition Rate	20.00%	20.00%
Normal Age of Retirement	60 years	60 years
Mortality Table	100% Indian Assured Lives Mortality (2012-14) Ultimate	100% Indian Assured Lives Mortality (2012-14) Ultimate

**Notes :**

(1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.

(2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**iv) Asset Category**

Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Cash (including Special Deposits)	0%	0%	Not Applicable
Other (including assets under Schemes of Insurance)	0%	0%	
Government of India Securities (Central and State)	0%	0%	
High quality corporate bonds (including Public Sector Bonds)	0%	0%	
Equity shares of listed companies	0%	0%	
Real Estate / Property	0%	0%	
<b>Total</b>	<b>0%</b>	<b>0%</b>	

**(v) Actual Return on Plan Assets**

Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Expected Return on Plan Assets	-	-	Not Applicable
Actuarial Gains/(Losses) on Plan Assets	-	-	
<b>Total</b>	-	-	

**(vi) Expected Contributions**

Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Expected Contributions for the Next Financial Year	-	-	Not Applicable

**(vii) Sensitivity Analysis**

The sensitivity of the defined benefit obligation (DBO) to changes in the weighted principal assumptions is :

Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Experience Adjustments on Plan Assets	0.31	-	Not Applicable
(Gains)/losses due to change in Assumptions	-	0.01	
Experience (Gains)/Losses on DBO	-	(0.33)	
<b>Total Actuarial (Gain)/Loss on DBO</b>	<b>0.31</b>	<b>(0.32)</b>	



<b>(viii) Gratuity disclosure statement as per AS-15 (Revised) 2005, For the period 01-04-2024 to 31-03-2025</b>			
The sensitivity of the defined benefit obligation (DBO) to changes in the weighted principal assumptions is :			
Particulars	For the Financial Year Ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Type of benefit	Gratuity	Gratuity	Not Applicable
Country	India	India	
Reporting Currency	INR	INR	
Reporting standard	AS-15	AS-15	
Funding status	Unfunded	Unfunded	
Starting period	01/04/2024	01/04/2023	
Date of reporting	31/03/2025	31/03/2024	
Period of reporting	12 Months	12 Months	

(Rs. in Lakhs)

<b>OTHER FINANCIAL INFORMATION</b>			
<b>ANNEXURE 40</b>			
Particulars	As at		
	March 31, 2025	March 31, 2024	March 31, 2023
Restated PAT as per P& L Account	456.18	202.99	32.30
Actual Number of Equity Shares outstanding at the end of the period	36,28,100	19,10,000	19,10,000
Weighted Average Number of Equity Shares at the end of the Period (Note -2)	34,99,776	33,42,500	33,42,500
<b>Net Worth</b>	<b>1230.91</b>	<b>546.25</b>	<b>343.26</b>
Current Assets	1,624.50	1,321.98	1,686.17
Current Liabilities	961.85	1,009.39	1,367.72
<b>Earnings per Share</b>			
EPS	13.03	6.07	0.97
<b>EBIDTA</b>	722.87	427.17	200.84
<b>Return on Net Worth (%)</b>	37.06%	37.16%	9.41%
<b>Net Asset Value Per Share (Rs)</b>	35.17	16.34	10.27
<b>Current Ratio</b>	1.69	1.31	1.23
<b>Nominal Value per Equity share after Share split (Rs.)</b>	10.00	10.00	10.00
* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.			
<b>Notes:</b>			
1) The ratios have been calculated as below:			
a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.			
b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.			
c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100			
d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Weighted Average Number of Equity Shares at the end of the Financial Year.			
2) Weighted Average Number of equity shares is the number of equity shares outstanding at the end of the period. For comparison purposes, outstanding number of shares have been taken after considering the effect of stock split.			
3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.			
4) EBITDA= Profit Before Tax + Interest Expenses + Depreciation- Other Income			



5) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Fictitious Assets

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

(Rs. in Lakhs)

RESTATED SUMMARY OF CAPITALISATION STATEMENT		
ANNEXURE 40		
Particulars	Pre-issue (as at March 31,2025)	Post - Issue
<b>Borrowings:</b>		
Short-term borrowings	377.96	[●]
Current maturities of long-term borrowings	144.33	[●]
Long-term borrowings (A)	401.13	[●]
<b>Total borrowings (B)</b>	<b>923.43</b>	[●]
<b>Shareholder's fund (Net worth)</b>		
Share capital	362.81	[●]
Reserves and surplus	868.10	[●]
<b>Total shareholder's fund (Net worth) (C)</b>	<b>1,230.91</b>	[●]
<b>Long-term borrowings/shareholder's fund (Net worth) ratio (A/C)</b>	0.33	[●]
<b>Total borrowings/shareholder's fund (Net worth) ratio (B/C)</b>	0.75	[●]
Notes:		
1	<i>Short-term borrowings are debts which are due for repayment within 12 months from reporting period ended 31 March 2025.</i>	
2	<i>Long-term borrowings are considered as borrowing other than short-term borrowing.</i>	
3	<i>The amounts disclosed above are based on the Restated Summary Statements.</i>	
*	<i>These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.</i>	
Note: The above Statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4, Restated Summary Statement of Notes to Restated Summary Statements in Annexure 5 and the Restated Summary Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per Audited Financial Statements in Annexure 6.		



(Rs. in Lakhs)

RESTATED STATEMENT OF FINANCIAL INDEBTEDNESS				
ANNEXURE 42				
Name of bank	Type of Loan	Whether Secured?	Security	As at March 31, 2025
Federal Bank	Term Loans	Secured	Refer Note 9 and 11	461.19
Federal Bank	Cash Credit	Secured	Refer Note 9 and 11	377.96
Anupam Kansal	Loan Repayable in 2-3 years	Unsecured	Not Applicable	42.72
Naina Kansal	Loan Repayable in 2-3 years	Unsecured	Not Applicable	32.99
Rose Kansal	Loan Repayable in 2-3 years	Unsecured	Not Applicable	8.57
<b>Notes:</b>				
1. The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company				
2. The above Statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4, Restated Summary Statement of Notes to Restated Summary Statements in Annexure 5 and the Restated Summary Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per Audited Financial Statements in Annexure 6.				

(Rs. in Lakhs)

RESTATED SUMMARY STATEMENT OF DIVIDEND			
ANNEXURE 43			
Particulars	For the financial year ended		
	March 31,2025	March 31,2024	March 31,2023
<b>Share capital</b>			
Equity Share Capital	362.81	191.00	191.00
<b>Dividend on equity shares</b>	<b>NIL</b>		
<b>Dividend in %</b>			
Interim Dividend			
Note: The above Statement should be read with the Restated Summary Statement of Significant Accounting Policies in Annexure 4, Restated Summary Statement of Notes to Restated Summary Statements in Annexure 5 and the Restated Summary Statement of Reconciliation of Restated Profit/ (Loss) to Profit/ (Loss) as per Audited Financial Statements in Annexure 6.			



(Rs. in Lakhs)

<b>RESTATED SUMMARY STATEMENT OF TAX SHELTERS</b>			
<b>ANNEXURE 44</b>			
Particulars	For the Financial Year Ended March 31,		
	2025	2024	2023
<b>Profit / (loss) before tax, as Restated (A)</b>	<b>608.97</b>	<b>274.17</b>	<b>35.77</b>
Tax Rate - Statutory rate (B)	25.17%	25.17%	25.17%
Tax as per actual rate on profits (C= A*B)	153.27	69.00	9.00
<b>Permanent Differences</b>			
Disallowable under Section 37	1.46	0.25	0.40
Disallowable under Section 36	-	0.43	0.42
<b>Total Permanent Differences (D)</b>	<b>1.46</b>	<b>0.69</b>	<b>0.82</b>
<b>Timing Differences</b>			
Difference between book depreciation and tax depreciation	(32.30)	3.09	(14.97)
Carry forward loss and unabsorbed depreciation	-	(20.69)	(21.62)
(Profit)/Loss on sale of assets	(1.98)	-	-
Disallowable under Section 43B	(3.35)	3.35	-
Disallowable under Section 40A	0.92	1.35	-
<b>Total Timing Differences (E)</b>	<b>(36.70)</b>	<b>(12.90)</b>	<b>(36.59)</b>
Total Adjustments (F)	(35.24)	(12.22)	(35.77)
Tax on Adjustments (G=F*B)	(8.87)	(3.07)	(9.00)
<b>Taxable Restated Profit (H=A+F)</b>	<b>573.73</b>	<b>261.96</b>	<b>0.00</b>
<b>Calculated tax liability on taxable profits (H=G*B)</b>	<b>144.40</b>	<b>65.93</b>	<b>0.00</b>



## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2025:

(Rs. in Lakhs)

Short-Term Borrowings								
Sr. No.	Lender	Nature of Facility	Loan	Outstanding as on March 31, 2025	Rate of Interest/Margin	Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
1.	Federal Bank	Cash credit	495.00	368.11	8.75 % p.a. (Repo Rate + 2.50 %)	Repayable on demand	NA	<ol style="list-style-type: none"> <li>1. Hypothecation of stock of all kinds of stock and trade receivables.</li> <li>2. Collateral of Industrial property at Plot No. B-9, B-10 &amp; B-11, Udyog Puram, Delhi Road, Distt. Meerut on lease from UPSIDC admeasuring 3000 sq. mtr. (land area) along with built up area of 30425 sq. ft in the name of Company.</li> <li>3. Personal Guarantee of directors.</li> </ol>
2.	Federal Bank	Bill discounting (without LC)	500.00	NIL	8.50% (Repo rate+2.50%)	Repayable on demand	N.A.	<ol style="list-style-type: none"> <li>1. Bills of Sheela Foam Ltd, Kurlon Enterprises and Nilkamal Ltd (Usance period of 120 days).</li> </ol>
LONG TERM BORROWINGS								
1.	Federal Bank	Term Loan 1	135.00	53.14	8.80 % p.a.	EMI	N.A.	1. Hypothecation of Machinery funded out of term loan.
2.	Federal Bank	Term Loan 2	173.00	44.89	8.80 % p.a.	EMI	N.A.	



3.		Term Loan 3	104.00	52.97	8.80 % p.a.	EMI	N.A.	2. Collateral of Industrial property at Plot No. B-9, B-10 & B-11, Udyog Puram, Delhi Road, Distt. Meerut on lease from UPSIDC admeasuring 3000 sq. mtr. (land area) along with built up area of 30425 sqft in the name of Company. 3. Personal guarantee of directors.
4.		Term loans 4	400.00	291.85	8.50 % p.a.	EMI	NA	
5.	Federal Bank	Vehicle Loan	14.00	11.83	8.30 % p.a.	EMI	NA	1. Hypothecation of Vehicle funded out of term loan. 2. Personal Guarantee of directors.
6.	Federal Bank	Vehicle Loan	7.00	6.51	8.35 % p.a.	EMI	NA	1. Hypothecation of Vehicle funded out of term loan. 2. Personal Guarantee of directors.
<b>UNSECURED LOANS:</b>								
1.	Anupam Kansal	USL	NA	84.89	Interest Free	Repayable in 2 to 3 years	No Security	NA
2.	Naina Kansal	USL	NA	200.16	Interest Free	Repayable in 2 to 3 years	No Security	NA
3.	Rose Kansal	USL	NA	0.10	Interest Free	Repayable in 2 to 3 years	No Security	NA
4.	Karan Kansal	USL	NA	9.26	Interest Free	Repayable in 2 to 3 years	No Security	NA



Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on August 12, 2025

(Rs. in lakhs)

Short-Term Borrowings								
Sr. No.	Lender	Nature of Facility	Loan (Rs. in Lakhs)	Outstanding as on August 12, 2025 (Rs. in lakhs)-	Rate of Interest/Margin	Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
1.	Federal Bank	Cash credit	495.00	337.90	7.75 % p.a.	Repayable on demand	N.A.	<ol style="list-style-type: none"> <li>Hypothecation of stock of all kinds of stock and trade receivables.</li> <li>Collateral of Industrial property at Plot No. B-9, B-10 &amp; B-11, Udyog Puram, Delhi Road, Distt. Meerut on lease from UPSIDC admeasuring 3000 sq. meter. (land area) along with built up area of 30425 sq. ft in the name of Company.</li> <li>Personal Guarantee of directors.</li> </ol>
2.	Federal Bank	Bill discounting (without LC)	500.00	224.89	7.75 % (Repo rate+2.50%)	Repayable on demand	N.A.	<ol style="list-style-type: none"> <li>Bills of Sheela Foam Ltd, Kurlon Enterprises and Nilkamal Ltd (Usance period of 120 days).</li> </ol>
LONG TERM BORROWINGS								
1.	Federal Bank	Term Loan 1	135.00	54.64	8.05 % p.a.	EMI	NA	<ol style="list-style-type: none"> <li>Hypothecation of Machinery funded out of term loan.</li> <li>Collateral of Industrial property at Plot No. B-9, B-10 &amp; B-11, Udyog Puram, Delhi Road, Distt. Meerut on lease from UPSIDC admeasuring 3000 sq. mtr. (land area) along with built up area of 30425 sqft in the name of Company.</li> <li>Personal guarantee of directors.</li> </ol>
2.		Term Loan 2	173.00	46.17	8.05 % p.a.	EMI	NA	
3.		Term Loan 3	104.00	47.00	8.05 % p.a.	EMI	NA	
4.		Term loans 4	400.00	280.14	7.75 % p.a.	EMI	NA	



5.	Federal Bank	Vehicle Loan	14.00	10.79	7.55 % p.a.	EMI	NA	1. Hypothecation of Vehicle funded out of term loan. 2. Personal Guarantee of directors.
6.	Federal Bank	Vehicle Loan	7.00	6.01	7.60 % p.a.	EMI	NA	1. Hypothecation of Vehicle funded out of term loan. 2. Personal Guarantee of directors.
7.	SIDBI	Term loan	750.00	NIL	8.56% p.a.	EMI	NA	1. Hypothecation of Machinery funded out of term loan.
<b>UNSECURED LOANS:</b>								
1.	Anupam Kansal	USL	NA	42.72	Interest Free	Repayable in 2 to 3 years	No Security	NA
2.	Naina Kansal	USL	NA	32.99	Interest Free	Repayable in 2 to 3 years	No Security	NA
3.	Rose Kansal	USL	NA	8.57	Interest Free	Repayable in 2 to 3 years	No Security	NA



**IMPORTANT TERMS AND CONDITIONS OF CASH CREDIT SANCTION LETTER FEDERAL BANK LIMITED**

Sr. No.	Nature of Facility	CASH CREDIT	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	495.00	495.00
2.	<b>Amount in words</b>	Four Crore Ninety-Five Lakh	Four Crore Ninety-Five Lakh
3.	<b>Period (in Months)</b>	12	12
4.	<b>Int. / Comm. /Disc. (% P.A) *</b>	8.75 % p.a. (Repo Rate + 2.25 %)	7.75 % p.a. (Repo Rate + 2.50%)
5.	<b>Int. Rates</b>	Monthly	Monthly
6.	<b>Repayment</b>	On demand	On demand
7.	<b>Prepayment Penalty</b>	NIL	NIL
8.	<b>Commitment Charges</b>	NIL	NIL
9.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc
10.	<b>Category</b>	6	6
11.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS

Sr. No.	Nature of Facility	BILL DISCOUNTING (WITHOUT LC)	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	500.00	500.00
2.	<b>Amount in words</b>	Five hundred lakh	Five hundred lakh
3.	<b>Period (in Months)</b>	12	12
4.	<b>Int. / Comm. /Disc. (% P.A) *</b>	7.75 % p.a. (Repo Rate+2.50%)	7.75 % p.a. (Repo Rate+2.50%)
5.	<b>Int. Rates</b>	Monthly	Monthly
6.	<b>Repayment</b>	On demand	On demand
7.	<b>Prepayment Penalty</b>	NIL	NIL
8.	<b>Commitment Charges</b>	NIL	NIL
9.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc
10.	<b>Category</b>	6	6
11.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS

**IMPORTANT TERMS AND CONDITIONS OF TERM LOAN FROM FEDERAL BANK**

Sr. No.	Nature of Facility	TERM LOAN -1	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	135.00	135.00
2.	<b>Period (in Months)</b>	84.00	84.00



3.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.80 %	8.05%
4.	<b>Int. Rates</b>	Monthly	Monthly
5.	<b>Repayment</b>	EMI	EMI
6.	<b>Prepayment Penalty</b>	NIL	NIL
7.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc.	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc.
8.	<b>Category</b>	6	6
9.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS
10.	<b>Date of Sanction Letter</b>	December 30, 2024	December 30, 2024

Sr. No.	Nature of Facility	TERM LOAN - 2	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	173.00	173.00
2.	<b>Period (in Months)</b>	84.00	84.00
3.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.80 %	8.05%
4.	<b>Int. Rates</b>	Monthly	Monthly
5.	<b>Repayment</b>	EMI	EMI
6.	<b>Prepayment Penalty</b>	3% of Balance outstanding or DP whichever is higher or amount of prepayment in case of limit closed during the tenure of loan by way of takeover by other financial institutions.	3% of Balance outstanding or DP whichever is higher or amount of prepayment in case of limit closed during the tenure of loan by way of takeover by other financial institutions.
7.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc.
8.	<b>Category</b>	6	6
9.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS
10.	<b>Date of Sanction Letter</b>	October 22, 2021	October 22, 2021

Sr. No.	Nature of Facility	TERM LOAN - 3	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	104.00	104.00
2.	<b>Period (in Months)</b>	84.00	84.00
3.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.80 %	8.05%
4.	<b>Int. Rates</b>	Monthly	Monthly
5.	<b>Repayment</b>	EMI	EMI
6.	<b>Prepayment Penalty</b>	NIL	NIL
7.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search,	All charges pertaining to CIBIL, insurance, inspection,



		stock audit, and other incidental charges etc	search, stock audit, and other incidental charges etc
8.	<b>Category</b>	6	6
9.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS
10.	<b>Date of Sanction Letter</b>	May 29, 2024	May 29, 2024

Sr. No.	Nature of Facility	TERM LOAN - 4	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	400	400
2.	<b>Period (in Months)</b>	84	84
3.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.50%	8.05%
4.	<b>Int. Rates</b>	Monthly	Monthly
5.	<b>Repayment</b>	EMI	EMI
6.	<b>Prepayment Penalty</b>	3% of the amount prepaid, if closed within 36 months after sanctioning, and 2% of the amount prepaid, if closed post 36 months after sanctioning. Amount prepaid = o/s balance + overflow amount (if any), as on the date of pre closure.	3% of the amount prepaid, if closed within 36 months after sanctioning, and 2% of the amount prepaid, if closed post 36 months after sanctioning. Amount prepaid = o/s balance + overflow amount (if any), as on the date of pre closure.
7.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc
8.	<b>Category</b>	6	6
9.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS
10.	<b>Date of Sanction Letter</b>	April 09, 2024	April 09, 2024

Sr. No.	Nature of Facility	VEHICLE LOAN	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	14.00	14.00
2.	<b>Period (in Months)</b>	60	60
3.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.30%	7.55%
4.	<b>Int. Rates</b>	Monthly	Monthly
5.	<b>Repayment</b>	EMI	EMI
6.	<b>Prepayment Penalty</b>	NIL	NIL
7.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc
8.	<b>Category</b>	6	6
9.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS



Sr. No.	Nature of Facility	VEHICLE LOAN	
		As on March 31, 2025	August 12, 2025
1.	<b>Limit Sanctioned (in Lakhs)</b>	7.00	7.00
2.	<b>Period (in Months)</b>	60	60
3.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.35%	7.60%
4.	<b>Int. Rates</b>	Monthly	Monthly
5.	<b>Repayment</b>	EMI	EMI
6.	<b>Prepayment Penalty</b>	NIL	NIL
7.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection.	All charges pertaining to CIBIL, insurance, inspection.
8.	<b>Category</b>	6	6
9.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS	COTTON TEXTILES - FINISHING UNITS

**IMPORTANT TERMS AND CONDITIONS OF TERM LOAN FROM SIDBI**

1.	Nature of Facility	TERM LOAN
2.	<b>Limit Sanctioned (Rs. in Lakhs)</b>	750.00
3.	<b>Period (in Months)</b>	60
4.	<b>Current Int. / Comm. /Disc. (% P.A) *</b>	8.56%
5.	<b>Int. Rates</b>	Monthly
6.	<b>Repayment</b>	EMI
7.	<b>Prepayment Penalty</b>	3%+GST on outstanding amount
8.	<b>Any other fee</b>	All charges pertaining to CIBIL, insurance, inspection, search, stock audit, and other incidental charges etc.
9.	<b>Category</b>	6
10.	<b>Subsector</b>	COTTON TEXTILES - FINISHING UNITS



## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated standalone financial statements (“restated standalone financials statements”) attached in the chapter titled “Financial Information” beginning on page 201. You should also read the section titled “Risk Factors” beginning on page 29 and the chapter titled “Forward Looking Statements” beginning on page 18, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Standalone Financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated July 26, 2025 which is included in this Red Herring Prospectus under the chapter titled “Restated Standalone Financial Statements” beginning on page 201. The Restated Standalone Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

### BUSINESS OVERVIEW

Our Company was originally incorporated as “Rachit Prints Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 31, 2003, issued by the Registrar of Companies, Kanpur. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting held on May 21, 2024 and the name of our Company was changed to “Rachit Prints Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company was issued by the Registrar of Companies, Kanpur on July 29, 2024. The Corporate Identification Number of our Company is U22190UP2003PLC027364.

For further details on the change in the name and the registered office of our Company, for further details please refer to the chapter titled “Our History and Certain Other Corporate Matters” beginning on page 172.

Our Company is engaged in the business of manufacturing of good quality Speciality knitted and printed fabric for the mattress industry. We distribute our product by offline model, and have developed a sustainable business model over the period. For more details on business, please refer to the chapter titled “Our Business” beginning on page 141.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

Except, as mentioned below there has been no significant developments in the Company in the last Financial Year that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months:

- The Company secured a Term loan of Rs. 750.00 lakhs from SIDBI at an interest rate of 8.56% p.a on April 15, 2025, to finance the purchase of machinery

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the chapter titled “Risk Factors” beginning on page 29. Our results of operations and financial conditions are affected by numerous factors including the following:

- Ability to attract and retain qualified personnel.
- Technology Upgradation
- Increased competition in our Industry;
- Availability of applicable approvals, licenses, registrations and permits in a timely manner;



- Our ability to successfully implement our growth strategy and expansion plans;
- General economic and business conditions in the markets in which we operate, local and regional.
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries.
- The occurrence of natural disaster and calamities;
- Other factors beyond our control.

## **DISCUSSION ON RESULT OF OPERATION**

The following discussion on results of operations should be read in conjunction with the restated standalone financial statements of our Company for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023.

### **Principal Components of Statement of Profit and Loss**

#### ***Income***

Our total income comprises revenue from operations & other income as mentioned below:

#### ***Revenue from Operations***

Our revenue from operations primarily includes in the manufacturing of Speciality fabric tailored for mattresses such as knitted fabric, printed fabric, warp knit, pillow fabric, Binding Tape and trading of the comforters and bedsheets.

#### ***Other Income***

Other income includes Interest Income from banks and Miscellaneous Income.

#### ***Expenses***

Our total expenses include the below mentioned expenses:

#### ***Cost of Material Consumed***

The Cost of material consumed primarily includes consumption of opening stock of raw material, purchases of raw material during the year and adjustments for the closing stock of raw material.

#### ***Purchases of stock in trade***

Purchase of stock in trade includes purchase of goods primarily for trading purpose.

#### ***Changes in Inventories of finished goods***

The changes in inventories of finished goods includes changes in finished goods and work in progress.

#### ***Finance Cost***

Our finance costs primarily include interest on working capital facilities and Term Loan.

#### ***Employee Benefits Expense***

Our employees benefit expense includes Wages & Salaries, Contribution to Provident and Other Funds, Gratuity Expense, and Staff Welfare Expenses.

#### ***Depreciation and Amortization Expense***

Our depreciation and amortization primarily include depreciation on Factory Building, Plant & Machinery, Furniture & Fixtures, Vehicles, Computers and Office Equipment's.



### ***Other Expenses***

Our other expenses primarily include expenditure incurred on Packing Expenses, Kundi & Calendering Expenses, Washing Expenses, Power & Fuel Expenses, Finishing & Standing Expenses, Frame, Screen Making Charges, Insurance Charges, Freight Outward, Checking & Finishing Expenses, Legal & Professional Expenses, Rate & Taxes, Repair & Maintenance etc.

### ***Tax Expense***

Our tax expenses primarily include current tax and deferred tax.



### Results of Operations based on Restated Standalone Financial Statement

The following table sets forth select financial data from our restated statement of profit and loss & the components of which are also expressed as a percentage of total income.

(Rs. in Lakhs)

Particulars	Financial Year Ended March 31, 2025	% of Total Income	Financial Year Ended March 31, 2024	% of Total Income	Financial Year ended March 31, 2023	% of Total Income
<b>I) Incomes</b>						
(a) Revenue from Operations	4,170.32	99.81	3,708.26	99.92	3,232.21	99.80
(b) Other Income	8.11	0.19	2.85	0.08	6.54	0.20
<b>II) Total Incomes</b>	<b>4178.43</b>	<b>100.00</b>	<b>3,711.11</b>	<b>100.00</b>	<b>3,238.75</b>	<b>100.00</b>
<b>III) Expenses</b>						
(a) Cost of Material Consumed	2,568.79	61.48	2,284.16	61.55	1,952.88	60.30
(b) Purchases of Stock in Trade	3.41	0.08	20.66	0.56	51.57	1.59
(c) Changes in Inventories of Finished Goods	(5.72)	(0.14)	124.11	3.34	80.98	2.50
(d) Employee benefits expense	258.42	6.18	229.69	6.19	239.87	7.41
(e) Finance Cost	37.09	0.89	60.21	1.62	87.53	2.70
(f) Depreciation and Amortization Expense	84.92	2.03	95.64	2.58	84.09	2.60
(g) Other Expenses	622.55	14.90	622.46	16.77	706.07	21.80
<b>IV) Total Expenses</b>	<b>3569.46</b>	<b>85.43</b>	<b>3,436.93</b>	<b>92.61</b>	<b>3,202.98</b>	<b>98.90</b>
<b>V) Profit Before Taxes (II-IV)</b>	<b>608.97</b>	<b>14.57</b>	<b>274.17</b>	<b>7.39</b>	<b>35.77</b>	<b>1.10</b>
<b>VI) Tax Expenses</b>						
(a) Current Taxes	144.41	3.46	65.93	1.78	-	-
(b) Deferred Tax Expense / (Credit)	8.39	0.20	2.91	0.08	3.48	0.11
(c) Tax Adjustment of Earlier Years			2.35	0.06	-	-
VII) Total Taxes	152.79	3.66	71.19	1.92	3.48	0.11
<b>VIII) Profit after Taxes</b>	<b>456.18</b>	<b>10.92</b>	<b>202.99</b>	<b>5.47</b>	<b>32.3</b>	<b>1.00</b>



## FISCAL 2025 COMPARED TO FISCAL 2024.

### Income

The table below sets forth details in relation to our revenue for Fiscal 2025 and Fiscal 2024:

(Rs. in Lakhs)

Particulars	Fiscal 2025	Fiscal 2024	% Increase/ (Decrease)
<b>Sale of Products</b>			
- Finished Goods	4,140.76	3,622.90	14.29
- Traded Goods	4.12	25.94	(84.12)
<b>Other operating revenues</b>			
Job Work Income	25.44	59.42	(57.19)
Other Income	8.11	2.85	184.56
<b>Total</b>	<b>4,178.43</b>	<b>3,711.11</b>	<b>12.59</b>

The Company primarily earns its revenue from sale of speciality fabric for mattress industry. The other operating revenues includes job work income. Other income includes interest income from deposits with banks and miscellaneous income.

The revenue from sale of finished goods increased by Rs. 517.86 Lakhs or 14.29% to Rs. 4140.76 Lakhs for the fiscal year 2025 as compared to Rs. 3,622.90 Lakhs in fiscal 2024. This is primarily due to increase in demand in domestic market.

Revenue from traded goods includes trading of comforters and bedsheets, which has reduced by Rs. 21.82 Lakhs or by 84.12% to Rs. 4.12 Lakhs for the fiscal 2025 as compared to Rs. 25.94 Lakhs in fiscal 2024 that is mainly due to the company is focusing on primary business of manufacturing of knitted and printed fabric, trading of the comforters and bedsheets is an ancillary business based on the demand of the product.

The other operating revenue includes Job Work Income, the decrease in other operating revenue is by Rs. 33.98 Lakhs or 57.19% that is primarily attributable to decrease in Job work income. Other income increased Rs. 5.26 lakhs or 184.56%, to Rs. 8.11 lakhs in Fiscal 2025 from Rs. 2.85 lakhs in Fiscal 2024 primarily due to increase in the Interest Income and income from Rebate & Discount.

### Expenses:

The table below sets forth details in relation to our total expenses for Fiscal 2025 compared to our total expenses for Fiscal 2024:

(Rs. in Lakhs)

Particulars	Fiscal 2025	Fiscal 2024	% Increase/ (Decrease)
Cost of Material consumed	2568.79	2,284.16	12.46
Purchases of stock in trade	3.41	20.66	(83.49)
Changes in inventories of finished goods and work in progress	(5.72)	124.11	(104.61)
Employee benefits expense	258.42	229.69	12.51
Finance Cost	37.09	60.21	(38.40)
Depreciation and amortization expense	84.92	95.64	(11.21)
Other expenses	622.55	622.46	0.01
<b>Total Expenses</b>	<b>3,569.46</b>	<b>3,436.93</b>	<b>3.86</b>

Our total expenses increased by Rs. 132.53 Lakhs or 3.86% to Rs. 3,569.46 Lakhs for Fiscal 2025 compared to Rs. 3,436.93 Lakhs for Fiscal 2024. This was primarily attributable to following:



### **Cost of Material Consumed**

The table below sets forth details in relation to our cost material consumed:

(Rs. in Lakhs)

Particulars	Fiscal 2025	Fiscal 2024	% Increase and Decrease
Balance at the beginning of the year	295.51	456.84	(35.31)
Add: Purchases	2602.10	2,122.83	22.58
Less: Balance at the end of the year	(328.82)	(295.51)	(11.27)
Cost of Material Consumed	2568.79	2284.16	12.46

Our cost of materials consumed increased Rs. 284.63 Lakhs or 12.46% to Rs. 2,568.79 lakhs for Fiscal 2025 compared to Rs. 2,284.16 lakhs for Fiscal 2024. The Cost of Material Consumed is mainly attributable to the cost of raw material that the company requires to manufacture the finished goods, this increase in cost of material consumed is only due to volume growth of the company in terms of production quantity.

### **Purchase of stock in trade**

The Purchase of Stock in Trade primarily includes expenses related to purchases of material exclusively for trading purpose. The Purchase Stock in Trade decreased by Rs. 17.25 lakhs or 83.49% to Rs. 3.41 lakhs for Fiscal 2025 compared to Rs. 20.66 lakhs for Fiscal 2024. Hence this signifies that trading of the stock in trade is not the primary activity of the company. Which is in line with the trading revenue.

### **Changes in the inventories of finished goods**

The table below sets forth details in relation to changes in inventories for the periods indicated below:

(Rs. in lakhs)

Particulars	Fiscal 2025	Fiscal 2024	Increase/(decrease) in the amount	% increase and decrease
Opening Stock				
Finished Goods	11.69	92.06	(80.37)	(87.30)
Work in Progress	49.80	93.55	(43.75)	(46.77)
<b>(A)</b>	<b>61.50</b>	<b>185.61</b>	<b>(124.11)</b>	<b>(66.87)</b>
Closing Stock				
Finished Goods	36.02	11.69	24.33	208.13
Work in Progress	31.20	49.80	(18.60)	(37.35)
<b>(B)</b>	<b>67.22</b>	<b>61.50</b>	<b>5.72</b>	<b>9.30</b>
<b>Total (A-B)</b>	<b>(5.72)</b>	<b>124.11</b>	<b>(129.83)</b>	<b>(104.61)</b>

Our closing inventory level for finished goods in Fiscal 2025 had increased by Rs. 24.33 lakhs i.e. from Rs. 11.69 lakhs in Fiscal 2024 to Rs. 36.02 lakhs in Fiscal 2025. The level of work in progress had decreased by Rs. 18.60 lakhs i.e. from Rs. 49.80 lakhs in Fiscal 2024 to Rs. 31.20 lakhs in Fiscal 2025.

### **Employee Benefit Expense**

(Rs. in lakhs)

Particulars	Fiscal 2025	Fiscal 2024	%Increase/ (decrease)
Wages and salaries	251.37	224.18	12.13
Contribution to provident and other funds	2.81	2.62	7.25



Gratuity Expense	0.92	1.35	(31.85)
Staff Welfare Expenses	3.32	1.53	116.99
<b>Total</b>	<b>258.42</b>	<b>229.69</b>	<b>12.51</b>

Our employee benefit expense increased by Rs. 28.73 Lakhs or 12.51% to Rs. 258.42 Lakhs for Fiscal 2025 as compared to Rs. 229.69 Lakhs for Fiscal 2024. The above increase in cost is due to regular increment in staff and labour cost, which is in line with the business of the Company as they have added 6 Machineries in the Fiscal 2025.

### ***Finance costs***

The table below sets forth details in relation our finance cost for the financial year indicated below:

(Rs. in lakhs)

Particulars	Fiscal 2025	Fiscal 2024	% Increase/(decrease)
Interest expense on			
(i) Working capital facilities	27.18	35.46	(23.35)
(ii) Term Loan	9.86	23.83	(58.62)
Other Borrowing Costs	0.04	0.92	(95.65)
<b>Total</b>	<b>37.09</b>	<b>60.21</b>	<b>(38.40)</b>

Our finance costs decreased by Rs. 23.12 lakhs or 38.40% to Rs. 37.09 lakhs for Fiscal 2025 compared to Rs. 60.21 lakhs for Fiscal 2024. This decrease was primarily due to Company has received interest on subsidy in FY 2024 -2025 of Rs. 6.56 Lakhs, Company has received Share capital receipts of Rs. 228.48 lakhs in September 2024, which helped it to reduce its reliance on the working capital limit and reduced the finance costs.

### ***Depreciation and Amortisation Expense***

Our depreciation and amortisation expense decreased by Rs. 10.72 lakhs or 11.21% to Rs. 84.92 lakhs for Fiscal 2025 compared to Rs. 95.64 lakhs for Fiscal 2024.

### ***Other Expenses***

Our other expenses nominally increased by only Rs. 0.09 lakhs or 0.01% to Rs. 622.55 lakhs for Fiscal 2025 as compared to Rs. 622.46 lakhs for Fiscal 2024. As compared to the revenue growth of 12.46%, our other expenses have not increased highly, which helped the company to increase its margins.

### ***EBITDA***

For the reasons described below, our EBITDA increased by Rs. 295.70 lakhs, or 69.22% to Rs. 722.87 lakhs for Fiscal 2025 from Rs. 427.17 lakhs for Fiscal 2024.

### ***Profit Before Tax***

Our Profit before tax has increased by Rs. 334.80 Lakhs or 122.11% to Rs. 608.97 Lakhs for Fiscal 2025 from Rs. 274.17 Lakhs for Fiscal 2024.



### ***Tax Expenses***

Our total tax expenses increased by Rs. 81.61 lakhs that is Rs. 152.79 lakhs for Fiscal 2025 compared to Rs. 71.19 lakhs for Fiscal 2024 mainly because of increase in profits.

### ***Profit for the Year***

As a result of foregoing factors, our profits for the year increased by Rs. 253.19 Lakhs or 124.73% for the fiscal year 2025.

1. The company is primarily engaged in the printing and knitting of cloth. While printing is a power-intensive process that relies on fossil fuels, knitting is more profitable, in higher demand, and less power-intensive, requiring only electricity, which is more cost-effective. As a result, the company has been shifting its focus from printing to knitting. This strategic shift contributed to an increase in profit margins, rising from 1.00% in Fiscal 2023 to 5.47% in Fiscal 2024 and 10.94% in Fiscal 2025. This shift is further evident by a reduction in Power & Fuel Expenses, which decreased by Rs. 41.78 lakhs, or 15.14%, from Rs. 276.00 lakhs in Fiscal 2024 to Rs. 234.22 lakhs in Fiscal 2025.
2. The company added plant and machinery worth Rs. 115.16 lakhs in Fiscal 2024, leading to increased production and higher revenue from operations. Revenue from operations grew by Rs. 462.06 lakhs, or 12.46%, rising from Rs. 3,708.26 lakhs in Fiscal 2024 to Rs. 4,170.32 lakhs in Fiscal 2025. This increase in revenue contributed to a corresponding rise in profit after tax.

### **FISCAL 2024 COMPARED TO FISCAL 2023.**

#### ***Income***

The table below sets forth details in relation to our revenue for Fiscal 2024 and Fiscal 2023:

*(Rs. in Lakhs)*

Particulars	Fiscal 2024	Fiscal 2023	% Increase/ (Decrease)
<b>Sale of Products</b>			
- Finished Goods	3,622.90	3,115.93	16.27
- Traded Goods	25.94	66.17	(60.80)
<b>Other operating revenues</b>			
Job Work Income	59.42	50.11	18.58
Other Income	2.85	6.54	(56.42)
<b>Total</b>	<b>3,711.11</b>	<b>3,238.75</b>	<b>14.58</b>

The Company primarily earns its revenue from sale of speciality fabric for mattress industry. The operating revenues includes job work income. Other income includes interest income from deposits with banks and miscellaneous income.

The revenue from finished goods increased by Rs. 506.97 Lakhs or 16.27%, to 3,622.90 Lakhs for the fiscal 2024 as compared to fiscal 2023 i. e. Rs. 3,115.93 Lakhs. This is primarily due to increase in sale of Mattress Fabric since the sale of our mattress fabric.

The trading in goods includes trading of comforters and bedsheets, which has reduced by Rs. 40.23 Lakhs or by 60.80% between the fiscal 2023 and fiscal is mainly due to the company is focusing on primary business of manufacturing of knitted and printed fabric, trading of the fabric is an ancillary business based on the demand of the product.

The other operating revenue includes Job Work Income, the increase in other operating revenue is by Rs. 9.31 Lakhs or 18.58% that is primarily attributable to Job work income.



There has been reduction in other income because of the reduction in the interest income from bank on deposits and miscellaneous income.

**Expenses:**

The table below sets forth details in relation to our total expenses for Fiscal 2024 compared to our total expenses for Fiscal 2023:

*(Rs. in Lakhs)*

Particulars	Fiscal 2024	Fiscal 2023	% Increase/ (Decrease)
Cost of Revenue Operations	2,284.16	1,952.88	16.96
Purchases of stock in trade	20.66	51.57	(59.94)
Changes in inventories of finished goods	124.11	80.98	53.26
Employee benefits expense	229.69	239.87	(4.24)
Finance Cost	60.21	87.53	(31.21)
Depreciation and amortization expense	95.64	84.09	13.74
Other expenses	622.46	706.07	(11.84)
<b>Total Expenses</b>	<b>3,436.93</b>	<b>3,202.98</b>	<b>7.30</b>

Our total expenses increased by Rs. 233.95 lakhs or 7.30% to Rs. 3,436.93 lakhs for Fiscal 2024 compared to Rs. 3202.98 lakhs for Fiscal 2023. This was primarily attributable to following:

**Cost of Material Consumed**

The table below sets forth details in relation to our cost material consumed:

*(Rs. in Lakhs)*

Particulars	Fiscal 2024	Fiscal 2023	% Increase and Decrease
Balance at the beginning of the year	456.84	241.11	89.47
Add: Purchases	2,122.83	2,168.61	(2.11)
Less: Balance at the end of the year	(295.51)	(456.84)	(35.31)
<b>Cost of Material Consumed</b>	<b>2,284.16</b>	<b>1,952.88</b>	<b>16.96</b>

Our cost of materials consumed increased Rs. 331.28 Lakhs or 16.96% to Rs. 2,284.16 Lakhs for Fiscal 2024 compared to Rs. 1,952.88 Lakhs for Fiscal 2023. The Cost of Material Consumed is mainly attributable to the cost of raw material that the company requires to manufacture the finished goods, this increase in cost of material consumed is mainly due to increase in the prices of raw material and increase in production.

**Purchase of stock in trade**

The Purchase of Stock in Trade primarily includes expenses related to purchases of material exclusively for trading purpose. The Purchase Stock in Trade decreased by Rs. 30.91 Lakhs or 59.94% to Rs. 20.66 Lakhs for Fiscal 2024 compared to Rs. 51.57 Lakhs for Fiscal 2023. Hence this signifies that trading of the stock in trade is not the primary activity of the company. Which is in line with the trading revenue.

**Changes in the inventories of finished goods**

The table below sets forth details in relation to changes in inventories for the periods indicated below:

*(Rs. in lakhs)*

Particulars	Fiscal 2024	Fiscal 2023	% increase and decrease	increase in the amount
Opening Stock				



Finished Goods	92.06	175.39	(47.51)	(83.33)
Work in Progress	93.55	91.20	2.58	2.35
<b>(A)</b>	<b>185.61</b>	<b>266.59</b>	<b>(30.38)</b>	<b>(80.98)</b>
Closing Stock				
Finished Goods	11.69	92.06	(87.30)	(80.37)
Work in Progress	49.80	93.55	(46.77)	(43.75)
<b>(B)</b>	<b>61.50</b>	<b>185.61</b>	<b>(66.87)</b>	<b>(124.11)</b>
<b>Total (A-B)</b>	<b>124.11</b>	<b>80.98</b>	<b>53.26</b>	<b>43.13</b>

Our closing inventory level for finished goods in Fiscal 2024 had decreased by Rs. 83.37 Lakhs i.e. from Rs. 92.06 Lakhs in Fiscal 2023 to Rs. 11.69 Lakhs in Fiscal 2024. The level of work in progress had decreased by Rs. 43.75 Lakhs i.e. from Rs. 93.55 Lakhs in Fiscal 2023 to Rs. 49.80 Lakhs in Fiscal 2024. Together inventory of Finished Goods and Work-in-progress decreased 66.87% between F.Y. 2024 and F.Y. 2023 in order to do effective working capital management the old stock has been consumed and reduced which is in line with the increase in revenue from operation in the same period.

#### *Employee Benefit Expense*

(Rs. in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	%Increase/ (decrease)
Wages and salaries	224.18	236.28	(5.12)
Contribution to provident and other funds	2.62	2.56	2.34
Bonus			
Gratuity Expense	1.35	-	100.00
Staff Welfare Expenses	1.53	1.03	48.54
<b>Total</b>	<b>229.69</b>	<b>239.87</b>	<b>(4.24)</b>

Our employee benefit expense decreased by Rs. 10.18 Lakhs or 4.24% to Rs. 229.69 Lakhs for Fiscal 2024 as compared to Rs. 239.87 Lakhs for Fiscal 2023. This increase is primarily due to purchase of machinery; hence requirement of workforce has reduced, therefore employee benefit expense had reduced.

#### *EBITDA*

For the reasons described below, our EBITDA increased by Rs. 222.63 Lakhs, or 112.69% to Rs. 427.17 Lakhs for Fiscal 2024 from Rs. 200.84 Lakhs for Fiscal 2023.

#### *Finance Costs*

The table below sets forth details in relation our finance cost for the periods indicated below:

(Rs. in lakhs)

Particulars	Fiscal 2023	Fiscal 2024	% Increase/(decrease)
Interest expense on			
(i) Working capital facilities	35.46	45.21	(21.57)
(ii) Term Loan	23.83	34.30	(30.52)
Other Borrowing Costs	0.92	8.02	(88.53)
<b>Total</b>	<b>60.21</b>	<b>87.53</b>	<b>(31.21)</b>



Our finance costs decreased by Rs. 27.31 Lakhs or 31.21% to Rs. 60.21 Lakhs for Fiscal 2024 compared to Rs. 87.53 Lakhs for Fiscal 2023. This decrease was primarily due to Company has received interest on subsidy in FY 2023 -2024 of Rs. 10.01 Lakhs and also received the subsidy on Machine amounting to Rs. 80.23 Lakhs also due to less utilisation of the working capital limits that resulted in decrease in finance cost.

#### ***Depreciation and Amortisation Expense***

Our depreciation and amortisation expense increased by Rs. 11.55 Lakhs or 13.74% to Rs. 84.09 Lakhs for Fiscal 2024 compared to Rs. 95.64 Lakhs for Fiscal 2023, mainly attributable to purchase of new machinery amounting to Rs. 190.12 Lakhs in Fiscal 2023.

#### ***Other Expenses***

Our other expenses decreased by Rs. 83.61 Lakhs or 11.84% to Rs. 622.46 Lakhs for Fiscal 2024 as compared to Rs. 706.07 Lakhs for Fiscal 2023. This decrease is mainly due to decrease in the cost of power & fuel in FY 2023-24 by Rs. 74.30 Lakhs or 21.21% as compared to Fiscal 2023.

#### ***Profit Before Tax***

Our Profit before tax increased by Rs. 238.40 Lakhs or 666.48% to Rs. 274.17 Lakhs for Fiscal 2024 from Rs. 35.77 Lakhs for Fiscal 2023.

#### ***Tax Expenses***

Our total tax expenses increased by Rs. 67.71 Lakhs that is Rs. 71.19 Lakhs for Fiscal 2024 compared to Rs. 3.48 Lakhs for Fiscal 2023 mainly because of increase in profits.

#### ***Profit for the Year***

As a result of foregoing factors, our profits for the year increased by Rs. 170.69 Lakhs or 528.45% for the fiscal year 2024 compared to Rs. 32.3 Lakhs in fiscal year 2023.

The company is primarily engaged in the printing and knitting of cloth. While printing is a power-intensive process that relies on fossil fuels, knitting is more profitable, in higher demand, and less power-intensive, requiring only electricity, which is more cost-effective. As a result, the company has been shifting its focus from printing to knitting. This strategic shift contributed to an increase in profit margins, rising from 1.00% in Fiscal 2023 to 5.47% in Fiscal 2024. This shift is further evidenced by a reduction in Power & Fuel Expenses, which decreased by Rs. 74.30 Lakhs, or 21.21%, from Rs.350.30 Lakhs in Fiscal 2023 to Rs. 276.00 Lakhs in Fiscal 2024.

The company added plant and machinery worth Rs. 190.12 Lakhs in Fiscal 2023, leading to increased production and higher revenue from operations. Revenue from operations grew by Rs. 476.05 Lakhs, or 14.73%, rising from Rs. 3,232.21 Lakhs in Fiscal 2023 to Rs. 3,708.26 Lakhs in Fiscal 2024. This increase in revenue contributed to a corresponding rise in profit after tax.

#### **CASH FLOW BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS**

*(Rs.in Lakhs)*

Particulars	Fiscal		
	2025	2024	2023
Net cash generated from operating activities	46.03	918.71	(136.97)
Net cash (used in)/generated from investing activities	(484.60)	(34.14)	(209.59)
Net cash (used in)/generated from financing activities	476.40	(900.75)	227.23



<b>Net change in Cash and cash equivalents at the end of the year</b>	<b>37.83</b>	<b>(16.18)</b>	<b>(119.33)</b>
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For further details, kindly refer to the chapter titled “Restated Standalone Financial Statements” beginning on page 201.

### **Other Key Ratios**

<b>Ratios</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Current Ratio	1.69	1.31	1.23
Debt-equity ratio	0.75	1.17	4.31
Debt service coverage ratio	19.49	7.10	2.29
Return on Equity (%)	51.00	46.00	9.41
Working capital turnover ratio	6.29	11.86	10.15
Net profit margin (%)	10.94	5.47	1.00
Return on capital employed	29.61	27.98	6.41

### **Methodology:**

1. Current Ratio = Current Asset / Current Liability
2. Debt-Equity Ratio = Total Debt / Total Equity
3. Debt Service Coverage Ratio = EBITDA / Debt Service
4. Return on Equity Ratio = Profit After Tax / Total Equity
5. Working Capital Turnover Ratio = Revenue from Operations / (Current Asset - Current Liability)
6. Net Profit Ratio = Profit After Tax / Revenue
7. Return on Capital Employed= EBIT/ (Net Worth + Total Debt)

### **OTHER MATTERS**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the chapter titled “Risk Factors” beginning on page 29, to our knowledge there are no known significant economic changes that materially affected or are likely to affect income from continuing operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “Risk Factors” beginning on page 29, 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.

#### **4. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by multiple factors such as industry preferences, economic activity, government policies and demand of our products.

#### **5. The extent to which material increase/decrease in net revenue are due to increase/decrease in sale of our products.**

Increase/Decrease in revenues are by and large linked to increase/decrease in volume of business activities carried out by the Company.



**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Home Textile Industry and relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 115.

**7. Status of any publicly announced new products or business segments**

Our Company has not announced any new products or segment, other than through this Red Herring Prospectus.

**8. The extent to which the business is seasonal**

Our Company business is not seasonal in nature.

**9. Any significant dependence on a single or few clients.**

Our business is dependent on few clients. Our top 10 customers contributed 88.97%, 78.24% and 74.20% of revenue from operations for Fiscal 2024-25, Fiscal 2023-24 and Fiscal 2022-23 respectively.

**10. Competitive Conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in the chapter titled “*Our Business*” beginning on page 141.



## SECTION VIII - 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 and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation or arbitration proceeding which are determined to be 'material' as per a policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Group Entities, Promoters or Directors or Promoter Group or Key Managerial Personnel (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by resolution of our Board dated May 14, 2025: any outstanding litigation / arbitration proceedings (other than as covered in points (i) to (iii) above) involving our Company, Promoters or Directors, individuals / entities forming part of our Promoter Group, Group Entities and KMPs shall be considered material for the purposes of disclosure in this Red Herring Prospectus, if:

- i. As per the policy of materiality defined by the board of directors of the issuer where the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, being Rs. 4.56 lakhs, as per the last restated standalone financial statements of the Company
- Or
- ii. the aggregate monetary claim/dispute amount/ liability involved in such proceeding is in excess of the lower of:
    - a) 2% of the turnover of our Company, being Rs. 83.41 lakhs, for the most recent financial year as per the Restated Standalone Financial Information; or
    - b) 2% of the net worth of our Company, being Rs. 24.62 lakhs, as at the end of the most recent financial period as per the Restated Standalone Financial Information, except in case the arithmetic value of the net worth is negative; or
    - c) 5% of the average of the absolute value of the profit or loss after tax of our Company, being Rs. 11.52 lakhs, for the last three financial years as per the Restated Standalone Financial Information ("**Threshold**");

Accordingly, Rs. 11.52 lakhs being the lowest of the above criteria has been considered as the materiality threshold for above: or

i. the outcome of such proceeding (including proceedings under the Insolvency and Bankruptcy Code, 2016) could have a material adverse effect on the business, operations, performance, results of operations, cash flows, prospects, financial position or reputation of our Company, irrespective of whether the amount involved in such proceeding exceeds the threshold or not or whether the monetary liability is not quantifiable in such proceeding; or

ii. the decision in such proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the threshold, even though the amount involved in an individual proceeding may not exceed the threshold.

It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial /arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Amended Materiality Policy, outstanding dues to any creditor of our Company having monetary value



exceeding Rs. 10.00 Lakhs, shall be considered as 'material'. Accordingly, as on March 31, 2025 any outstanding dues exceeding Rs.10.00 lakhs have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Further, Legal Advisor, Legacy Law Offices LLP, has given its legal due diligence report in relation to the Outstanding Litigations and Material Development dated August 13, 2025.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

## I. LITIGATIONS INVOLVING OUR COMPANY

### A. Outstanding criminal litigations involving our Company

#### *Criminal litigation against our Company*

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated against our Company.

#### *Criminal litigations initiated by our Company*

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated by our Company except as below:

**a. Complaint Case No. 7326 of 2018 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against Hira Lal Chaudhary before the Hon'ble Addl. Civil Judge (J.D) Meerut, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) ('**Complainant**') against Hira Lal Chaudhary ('**the Accused**') for the dishonour of cheque before Hon'ble Addl. Civil Judge (J.D) Meerut, Uttar Pradesh under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). The Accused purchased goods from the Complainant and in discharge of his liability, Hira Lal Chaudhary issued two cheques for Rs. 85,037/- and Rs.80,000/- to the Complainant. Upon presentation, the aforesaid cheques were dishonoured by the Accused bank. Thereafter a legal notice dated 20.11.2018 u/s 138 of the NI Act has been issued by the Complainant to the Accused calling upon the Accused to make payment of the amount due, however the Accused has failed to pay the amount due despite the issuance of notice and thereafter a complaint under Section 138 of the NI Act was filed by the Complainant against the Accused. The matter was heard on 16.10.2024 and has been fixed for issuance of process service. Presently, the matter is pending and the next date of hearing is September 10, 2025.

**b. Complaint Case No. 951 of 2019 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against K.K. Agarwal before the Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) ('**Complainant**') against K.K. Agarwal ('**the Accused**') before Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh under Section 420 of the Indian Penal Code 1860. The Accused purchased goods from the Complainant and the Complainant issued three invoices being Invoice No. 700 dated 31.03.2015 for Rs.5,17,896/- and Invoice No. 080 dated 18.05.2015 for Rs.3,04,818/- and Invoice No. 113 dated 11.06.2015 for Rs.1,27,663/-. The Complainant requested the Accused to clear the outstanding dues and met the Complainant several times to clear the outstanding amount but the Accused used to evade the payment and assured the Complainant that the payment would be made at the earliest. The Complainant also issued a legal notice dated 05.01.2019 calling upon the Accused to make the outstanding payment but the Accused did not make any payment. Being convinced that



the Accused did not have any intention to make any payment from the very beginning and his intention was to cheat the Complainant and he acquired wrongful gain by taking the goods of the Complainant without making any payments therefore, The Complainant therefore filed a complaint u/s 420 of the Indian Penal Code, 1860 against the Accused. The matter was heard on July 16, 2025 and has been fixed for Bailable warrants. Presently, the matter is pending and the next date of hearing is October 03, 2025.

**c. Warrants or Summons Criminal Case No. 16350 of 2022 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against Kerala State Rubber before the Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) (**'Complainant'**) against Kerala State Rubber (**'the Accused'**) before Hon'ble Addl. Chief Judicial Magistrate Meerut under Section 420 of the Indian Penal Code, 1860. The Accused Kerala State Rubber purchased goods from the Complainant and an amount of Rs. 11,87,153/-, was due from Kerala State Rubber ("the Accused"), however the Accused paid no heed to make payment for the Complainant's goods even after several letters, reminders and Registered AD notice. Thereafter the Complainant filed a criminal case against the Accused. The Accused made a payment through RTGS/NEFT only for an amount of Rs.1,75,000/- to the Complainant and an amount of Rs.10,12,153/- is still due from the Accused. The matter was heard on June 02, 2025 and has been fixed for Bailable warrants. Presently, the matter is pending and the next date of hearing is August 27, 2025.

**d. Warrants or Summons Criminal Case No. 16353 of 2022 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against Shubh International before the Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) (**'Complainant'**) against Shubh International (**'the Accused'**) before Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh under Section 420 of the Indian Penal Code, 1860. The Accused Shubh International purchased goods from the Complainant and an amount of Rs. 7,36,645.74/-, was due from Shubh International ("the Accused"), however the Accused paid no heed to make payment for the complainant goods even after several letters, reminders and Registered AD notice. Thereafter the Complainant filed a criminal case against Shubh International ("the Accused"). The matter was heard on August 08, 2025 and has been fixed for Bailable warrants. Presently, the matter is pending and the next date of hearing is October 13, 2025.

**e. Warrants or Summons Criminal Case No. 18743 of 2022 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against Pankaj Chauhan before the Hon'ble Addl. Chief Judicial Magistrate, Meerut, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) (**'Complainant'**) against Pankaj Chauhan (**'the Accused'**) before the Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh under Section 420 of the Indian Penal Code, 1860. The Accused Pankaj Chauhan purchased goods from the Complainant and an amount of Rs. 21,29,706/-, was due from Pankaj Chauhan ("the Accused"), however the Accused paid no heed to make payment for the Complainant's goods even after several letters, reminders and Registered AD notice. Thereafter the Complainant filed a criminal case against Pankaj Chauhan ("the Accused"). The matter was heard on April 25, 2025 and has been fixed for further orders. Presently, the matter is pending and the next date of hearing is October 15, 2025.

**f. Warrant or Summons Criminal Case No. 4175 of 2023 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against M Adam before the Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) (**'Complainant'**) against M Adam (**'the Accused'**) for the dishonour of cheque before Hon'ble Addl. Civil Judge (J.D) Meerut, Uttar Pradesh under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). The Accused purchased goods from the Complainant and in discharge of his liability, M Adam issued three cheques each for Rs. 25,000/- to the Complainant. Upon presentation, the aforesaid cheques were dishonoured by the Accused bank. Thereafter a legal notice dated 07.07.2015 u/s 138 of the NI Act has been issued by the Complainant to the



Accused calling upon the Accused to make payment of the amount due, however the Accused has failed to pay the amount due despite the issuance of notice and thereafter a complaint under Section 138 of the NI Act was filed by the Complainant against the Accused. The matter was heard on August 13, 2025 and has been fixed for appearance. Presently, the matter is pending and the next date of hearing is November 06, 2025

**g. Warrant or Summons Case No. 15307 of 2023 filed by Rachit Prints Private Limited (Now Rachit Prints Limited) against Brijesh Singh before the Hon'ble Addl. Chief Judicial Magistrate, Uttar Pradesh**

The present complaint has been filed by Rachit Prints Private Limited (Now Rachit Prints Limited) (**'Complainant'**) against Brijesh Singh (**'the Accused'**) before Hon'ble Addl. Chief Judicial Magistrate Meerut, Uttar Pradesh under Section 420 of the Indian Penal Code, 1860. The Accused Brijesh Singh purchased goods from the Complainant and an amount of Rs. 3,24,240/-, was due from Brijesh Singh ("the Accused"), however the Accused paid no heed to make payment of the Complainant's goods even after several letters, reminders and Registered AD notice. Thereafter the Complainant filed a criminal case against the Accused. The Accused made an RTGS payment for only an amount of Rs.1,00,000/- to the Complainant and an amount of Rs.2,24,240/- is still due from the Accused. The matter was heard on June 24, 2025 and has been fixed for Bailable warrants. Presently, the matter is pending and the next date of hearing is October 17, 2025.

**B. Civil litigations involving our Company**

*Civil litigations against our Company*

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Company.

*Civil litigations initiated by our Company*

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated by our Company.

**C. Outstanding actions by Statutory or Regulatory Authorities against our Company**

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

**II. LITIGATION INVOLVING OUR GROUP ENTITIES**

**A. Outstanding criminal litigations involving our Group Entities**

*Criminal litigation against our Group Entities*

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated against our Group Entities.

*Criminal Litigation by our Group Entities*

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated by our Group Entities.

**B. Civil litigations involving our Group Entities**

*Civil litigations against our Group Entities*

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Group Entities.



### ***Civil litigations initiated by our Group Entities***

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated by our Group Entities.

### **C. Outstanding actions by Statutory or Regulatory Authorities against our Group Entities**

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Group Entities.

## **III. LITIGATIONS INVOLVING OUR PROMOTERS**

### **A. Outstanding criminal litigations involving our Promoters**

#### ***Criminal litigation against our Promoters***

As on the date of this Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Promoters.

#### ***Criminal litigations initiated by our Promoters***

As on the date of this Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Promoters.

### **B. Outstanding civil litigations involving our Promoters**

#### ***Civil litigations against our Promoters***

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Promoters.

#### ***Civil litigations initiated by our Promoters***

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated by our Promoters.

### **C. Outstanding actions by Statutory or Regulatory authorities against our Promoters**

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory authorities against our Promoters.

## **V. LITIGATIONS INVOLVING INDIVIDUALS / ENTITIES FORMING PART OF OUR PROMOTER GROUP**

### **A. Outstanding criminal litigations involving individuals /entities forming part of our Promoter Group**

#### ***Criminal litigation against individuals /entities forming part of our Promoter Group***

As on the date of this Red Herring Prospectus, there are no outstanding criminal litigations initiated against the individuals/ entities forming part of our Promoter Group.



***Criminal litigations initiated by individuals / entities forming part of our Promoter Group***

As on the date of this Red Herring Prospectus, there are no outstanding criminal litigations initiated by the individuals/ entities forming part of our Promoter Group.

**B. Outstanding civil litigations involving individuals/entities forming part of our Promoter Group**

***Civil litigations against individuals/entities forming part of our Promoter Group***

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated against the individuals/ entities forming part of our Promoter Group.

***Civil litigations initiated by individuals/entities forming part of our Promoter group***

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated by the individuals/entities forming part of our Promoter Group.

**C. Outstanding actions by Statutory or Regulatory authorities against individuals/entities forming part of our Promoter Group**

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory authorities against the individuals/entities forming part of our Promoter Group.

**VI. LITIGATIONS INVOLVING OUR DIRECTORS**

**A. Criminal litigations involving our Directors**

***Criminal litigations against our Directors***

As on the date of this Red Herring Prospectus there are no outstanding criminal litigations against our Directors.

***Criminal litigations by our Directors***

As on the date of this Red Herring Prospectus there are no outstanding criminal litigations initiated by our Directors.

**B. Civil litigations involving our Directors**

***Civil litigations against our Directors***

As on the date of this Red Herring Prospectus, there are no outstanding civil litigations initiated against our Directors.

***Civil litigations initiated by our Directors***

As on the date of this Red Herring Prospectus, there are no outstanding civil litigations initiated by our Directors.

**Outstanding actions by Statutory or Regulatory Authorities against our Directors**

As on the date of this Red Herring Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.



## VI. LITIGATION INVOLVING KEY MANAGERIAL PERSONNEL

### A. Outstanding criminal litigations involving the Key Managerial Personnel

#### *Criminal litigation against the Key Managerial Personnel of the Company*

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated against the Key Managerial Personnel of the Company (KMPs Other than Promoters and Directors).

#### *Criminal litigations initiated by the Key Managerial Personnel of the Company*

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated by the Key Managerial Personnel of the Company (KMPs Other than Promoters and Directors).

### B. Civil litigations involving the Key Managerial Personnel of the Company

#### *Civil litigations against the Key Managerial Personnel of the Company*

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Key Managerial Personnel of the Company (KMPs Other than Promoters and Directors).

#### *Civil litigations initiated by the Key Managerial Personnel of the Company*

As on the date of this Red Herring Prospectus, there are no outstanding Civil Litigations initiated by the Key Managerial Personnel of the Company (KMPs Other than Promoters and Directors).

#### **Outstanding actions by Statutory or Regulatory Authorities against the Key Managerial Personnel of the Company (Other than Promoters and Directors).**

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by the Statutory or Regulatory Authorities against the Key Managerial Personnel of the Company.

## TAX PROCEEDINGS

Particulars	Number of cases	Amount involved (Rs. in Lakhs)
<b>Our Company</b>		
Direct Tax	1	48.82
Indirect Tax	0	Nil
<b>Total</b>	<b>1</b>	<b>48.82</b>

### Material Tax Matters

#### Litigation involving our Company

##### Direct Tax

##### Details of Appeal filed by our Company

Assessment Year/FY	Notice/Demand No./Ref. No. and date	Date of Demand raised/Assessment order	Demand, Amount involved, if any (in Rs.)	Status/Action taken by Company
2017-18	ITBA/AST/S/143(3)/2019-20/1023049714(1) dated 25.12.2019 Demand Notice: ITBA/AST/S/156/2019-20/1023049737(1) dated 25.12.2019	25.12.2019	<i>Current outstanding demand as per IT portal</i> - Rs. 20,36,267	The Company has filed an appeal with the Joint Commissioner/ Commissioner of Income-tax (Appeals) in Form 35 on 14.05.2024 vide Ack.



			(Original demand was Rs.13,37,687/-)	No. 215035480140524, which is pending for disposal.  <b><u>Grounds of Appeal:</u></b> It has been contended that the Ld. Assessing Officer has erred in law and in the facts of the case by completing the assessment of the appellant at an assessed income of Rs.32,59,810/-, instead of the returned loss of Rs.37,51,196/-, as the findings made by him are inconsistent with the facts on records and against the law rendering the order under appeal as unjust and illegal.
2017-18	ITBA/PNL/F/270A/2021-22/1037531012(1) dated 06.12.2021	06.12.2021	Current penalty outstanding as per IT portal-Rs. 28,45,862 /- (Original Demand was Rs.19,47,410/-) was the	Appeal as stated above has been preferred with the Income Tax Dept. in the main demand and once the appeal in the main demand is decided the penalty amount of Rs. Rs. 28,45,862 /- shall be also disposed of/decided accordingly.

### **Indirect Tax**

#### **Tax Litigation involving our Directors**

##### **Direct Tax**

NIL

#### **Tax Litigation involving our Group Entities**

##### **Direct Tax**

NIL

#### **Tax Litigation involving our Key Managerial Personnel**

##### **Direct Tax**

NIL



### Outstanding dues to creditors

Our Board, in its meeting held on May 14, 2025 has considered and adopted the amended Materiality Policy. In terms of the amended Materiality Policy, creditors of our Company on aggregate basis, to whom an amount exceeding Rs.10.00 lakhs of our total outstanding dues (trade payables) as on the date of the latest Restated Standalone Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Standalone Financial Statements, our total trade payables as on March 31, 2025 was Rs. 335.35 lakhs and accordingly, creditors to whom outstanding dues exceed Rs. 10.00 lakhs have been considered as 'material' creditors for the purposes of disclosure in this Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed as on March 31, 2025 by our Company on standalone basis are set out below:

Types of Creditors	Number of Creditors	Amount involved (Rs. in lakhs)
Micro, small and medium enterprises	4	7.09
Material Creditors	7	240.53
Other Creditors	56	87.73
<b>Total</b>	<b>67</b>	<b>335.35</b>



## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.*

### INCORPORATION DETAILS OF THE COMPANY

1. The Company was incorporated on March 31, 2003, as 'Rachit Prints Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Kanpur, Uttar Pradesh.
2. The Company's name was changed pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 21, 2024, the Company was converted from a private limited company to a public limited company and a fresh certificate of incorporation is dated July 29, 2024 was issued by the Registrar of Companies, Kanpur. Consequent to the conversion of our Company, the name of our Company was changed to 'Rachit Prints Limited'.

### APPROVALS IN RELATION TO THE ISSUE

#### Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on October 01, 2024 the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated October 10, 2024 Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.

### APPROVAL FROM STOCK EXCHANGE

Our Company has received in- principle approval from the SME Platform of BSE dated May 23, 2025 for listing of Equity Shares issued pursuant to the issue.

### OTHER APPROVALS

1. Our Company's International Securities Identification Number ("ISIN") is INE0ZN101029.



2. Our Company has entered into an agreement on July 19, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited, for the dematerialization of its shares.
3. Our Company has entered into an agreement on August 06, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited, for the dematerialization of its shares.

#### APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

##### A. Approval pertaining to Incorporation of the Company

Sr. No.	Nature of License / Approvals / Registrations	Authority	Particulars of License / Approvals	Date of Issue	Validity Period	Status of change of name
1.	Certificate of Incorporation	Registrar of Companies, Kanpur	U22190UP2003PTC027364	March 31, 2003	Perpetual	Approved
2.	Certificate of Incorporation	Registrar of Companies, Kanpur	U22190UP2003PLC027364	July 29, 2024	Perpetual	Issued in new name of the company

##### B. Under Direct and Indirect Laws

Sr. No.	Nature of License / Approvals / Registrations	Authority	Particulars of License / Approvals	Validity Period	Status of change of name
1.	Permanent Account Number (PAN)	Income Tax Department, Govt. of India	AACCR4932R	Perpetual	Issued in new name of the company
2.	Tax Deduction Account Number (TAN)	Income tax Department, Govt. of India	MRTR00755G	Perpetual	Issued in new name of the company
3.	Goods and Service Tax Identification (Uttar Pradesh)	Central Board of Indirect Taxes and Customs.	09AACCR4932R1ZP	Perpetual	Issued in new name of the company



## BUSINESS RELATED CERTIFICATIONS/ LICENSES

Sr. No.	Nature of License / Approvals / Registrations	Authority	Particulars of License / Approvals	Date of Issue	Validity Period	Status of change of name
1.	Importer-Exporter Certificate*	Directorate General of Foreign Trade, Ministry of Commerce and Industry	0514084791	February 09, 2015	Perpetual	Change of name is under process
2.	Factory License	Labour Department, Uttar Pradesh	UPFA7000010	May 07,2024	December 31, 2026	Issued in new name of the company
3.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprises	UDYAM-UP-56-0001819	December 18, 2020	Perpetual	
4.	No-Objection Certificate for Sinking Of New / Existing well For Industrial/ Commercial / Infrastructural Or Bulk User of ground Water	Ground Water Department	202112000454	March 20,2022	March 19, 2027	No provision for change of name
5.	Legal Entity Identifier Code	Legal Entity Identifier India Limited	98450056F54B83 CDA224	May 28, 2024	July 24,2026	Issued in new name of the company
6.	NOC for the provisions of Hazardous and Other Wastes	UP Pollution Control Board	13485/UPPCB/Meerut (UPPCBRO)/HWM/MEERUT/2020	March 01, 2021	February 27, 2026	No provision for change of name
7.	NOC For the provisions of Section-25 of the Water (Prevention & Control of Pollution)	UP Pollution Control Board	199037/UPPCB/Meerut (UPPCBRO)/CTO/both/MEERUT/2023	January 24, 2024	December 31, 2026	



	Act, 1974 and under Section-21 of the Air (Prevention & Control of Pollution) Act, 1981					
8.	Shop and Commercial Establishment Certificate	Chief Inspector of Shops and Commercial Establishment, Uttar Pradesh	UPSA7609455	April 01, 2024	Perpetual	Issued in new name of the company

\*Our Company is in the process of changing its name from private limited to public limited in the certificate.

### C. LABOUR LAWS RELATED APPROVALS

Sr. No.	Nature of License / Approvals / Ratings	Authority	Particulars of License / Approvals	Date of Issue	Validity Period	Status of change of name
1.	Registration under Employees' Provident Fund	Ministry of Labour and Employment,	MRMRT0030578000	March 09, 2015	Perpetual	Issued in new name of the company
2.	Registration under Employee State Insurance	Employees' State Insurance Corporation	67000233580000109	October 28, 2010	Perpetual	Issued in new name of the company

#### Details of ESIC Registration and Contributions of our Company:

Total no. of Employees in the Company as on April 30, 2025	73
Total no. of Employees eligible to be registered under ESIC as on April 30, 2025	9
Total no. of Employees registered under ESIC as on April 30, 2025	9

(in Rs.)

ESIC Details	For the Financial Year ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Employer's Share of Contribution	41,921	31,823	46,079
Employee's Share of Contribution	9,711	7,377	10,651
Total Contribution	51,632	39,200	56,730

#### Details of PF Registration and Contributions of our Company:

Total no. of Employees in the Company as on April 30, 2025	73
Total no. of Employees eligible to be registered under PF as on April 30, 2025	16
Total no. of Employees registered under PF as on April 30, 2025	16



(in Rs.)

PF Details	For the Financial Year ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Employer's Share of Contribution	2,39,566	2,30,484	2,09,616
Employee's Share of Contribution	2,29,956	2,21,037	1,95,366
Total Contribution	4,69,522	4,51,521	4,04,982

*There have been instances of delays in filing of ESI returns, PF returns. For details, please refer to the chapter titled "Risk Factors" beginning on page 29. Our Company has experienced multiple instances of minor delays in filing of returns required under the CGST Act, 2017, the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance" beginning on page 32.*

#### **D. INTELLECTUAL PROPERTY RELATED APPROVALS**

Sr. No.	Trademark Certificate/ Application No.	Issuing Authority	Description of Goods and Services	Class	Status	Status of change of name	Trademark Logo
1.	6598355	Registrar of Trademark	Manufacture of knitted and crocheted synthetic fabrics, Textiles and textile goods, not included in other classes; bed and table covers	Class 24	Formalities Check Pass	Issued in new name of the company	

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

:



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

#### Corporate Approvals

- ✓ Our Board has authorized the Fresh Issue of Equity shares by a resolution dated October 01, 2024 subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.
- ✓ Our shareholders have, pursuant to a special resolution passed at the Extra-Ordinary General Meeting of our Company held on October 10, 2024, at the Registered office of our Company under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.
- ✓ Our Company has obtained in-principle approval dated May 23, 2025 from the SME platform of BSE for using the name of the Exchange in its Offer Document for listing of the Equity Shares issued by our Company pursuant to the Issue.

#### Approvals from Secured Lenders

1. We have received No Objection Certificate from our secured lenders i.e., The Federal Bank Limited dated November 08, 2024 and from Small Industries Development Bank of India dated July 24, 2025.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, its promoters, members of the promoter group and its directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### PROHIBITION BY RBI

Neither our Company nor any of its Promoter or Director has been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, its Promoters and Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Red Herring Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer, whose post-issue paid-up capital is less than or equal to ten crores rupees, offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME.

- a) Our Company was incorporated on March 31, 2003 under the Companies Act, 1956 with the Registrar of Companies, Kanpur, Uttar Pradesh.



**b) Post Issue Paid-up Capital of the Company:**

As on the date of this Red Herring Prospectus, our Company has a total paid-up equity capital (face value) of Rs. 362.81 Lakhs comprising 36,28,100 Equity Shares of face value of Rs. 10/- each and the post-issue paid-up capital (face value) will be Rs. 493.61 Lakhs comprising 49,36,100 Equity Shares which shall be below Rs. 25 crores.

**c) Net Worth:**

Our Company satisfies the criteria of Net Worth based on the Restated Standalone Financial Statements given hereunder:

*(Rs. in Lakhs)*

Particulars	For the financial year ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Net Worth as per Restated Standalone Financial Statements	1,230.91	546.25	343.26

**d) Net Tangible Assets:**

The Net Tangible Assets based on Restated Standalone Financial Statements of our Company as on March 31, 2025 is Rs. 1,230.91 Lakhs which is more than Rs. 300 Lakhs.

**e) Track Record:**

Our Company was originally incorporated as “Rachit Prints Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 31, 2003, issued by the Registrar of Companies, Kanpur. Prior to incorporation of our Company, the promoters were engaged in the business of printing and manufacturing clothes under the name M/s Rachit Prints, a partnership firm. During the year 2003, our Promoters incorporated Rachit Prints Private Limited and had taken over the business of the Partnership Firm. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting held on May 21, 2024 and the name of our Company was changed to “Rachit Prints Limited”.

Therefore, we are in compliance with criteria of having track record of 3 years.

**f) Earnings before Interest, Depreciation and tax:**

Our Company satisfies the criteria of having operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date based on Restated Standalone Financial Statements given hereunder:

*(Rs. in Lakhs)*

Particulars	For the financial year ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Operating profit (earnings before interest, depreciation and tax and other income) from operations	722.87	427.17	200.84

**g) Leverage Ratio:**

Our Debt-to-Equity Ratio as on March 31, 2025 is 0.75 times.



**h) Name Change:**

There has been no change in the name of our Company within the last 1 year except as from 'Rachit Prints Private Limited' to 'Rachit Prints Limited' pursuant to the conversion of our Company from private to public limited company.

- i) Promoters have a cumulative track record of over three decades as on date of filing of this Red Herring Prospectus.
- j) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.
- k) There is no winding up petition against the Company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
- l) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.

**m) Other Disclosures:**

- We have disclosed all material regulatory or disciplinary actions by a stock exchange or regulatory authority in the past one year in respect of Promoters/ promoting company(ies), group companies/entities, companies promoted by the Promoters/ promoting company(ies) of our company in this Red Herring Prospectus.
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by our company, Promoters/promoting company(ies), group companies/entities, companies promoted by the Promoters/ promoting company(ies) during the past three years except as mentioned in this Red Herring Prospectus.
- We have disclosed the details of our Company, Promoters/promoting company(ies), group companies/entities, companies promoted by the Promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer to the chapter titled "*Outstanding Litigations and Material Developments*" beginning on page 223.
- We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For details, please refer to the chapter titled "*Outstanding Litigations and Material Developments*" beginning on page 223.

**n) Disciplinary Action**

1. There has been no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
2. The Promoter(s) or directors are not be promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
3. Director are not be disqualified/ debarred by any of the Regulatory Authority.



## **Default**

There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the Company, its Promoters.

## **Other Requirements**

1. The Company has a functional website. The address of the website is [www.rachitprints.co.in](http://www.rachitprints.co.in)
2. 100% of the Promoter's shareholding in the Company is in Dematerialized form.
3. The Company facilitates trading in demat securities and has also entered into an agreement with both the depositories.
4. There has not been any change in the promoters of the Company in preceding one year from date of filing the application to BSE for listing under SME segment.
5. The composition of the Board is in compliance with the requirements of Companies Act, 2013.
6. The Net worth computation is as per the definition given in SEBI (ICDR) Regulations.
7. The Company has not been referred to NCLT under IBC.
8. There is no winding up petition against the Company, which has been admitted by the court.

As per Regulation 229(4) of the SEBI ICDR Regulations, our Company has been in existence for at least one full financial year before filing of this Red Herring Prospectus and the restated standalone financial statements of our Company prepared post conversion is in accordance with Schedule III of the Companies Act, 2013:

Provided that the restated standalone financial statements of the Issuer Company prepared post conversion shall be in accordance with Schedule III of the Companies Act, 2013. – *Complied with*

As per Regulation 229(5) of the SEBI ICDR Regulations, there is no change in promoters of our company and there are no new promoter(s) of our Company who have acquired more than fifty per cent of the shareholding of the Issuer.

As per Regulation 229(6) of the SEBI ICDR Regulations, our Company fulfils the eligibility criteria of having minimum operating profits (earnings before interest, depreciation and tax) of Rs. 1 crore from operations for at least two out of the three previous financial years.

As per Regulation 230(1) of the SEBI ICDR Regulations, our Company has ensured that:

- a. The Draft Red Herring Prospectus has been filed with BSE SME and our Company shall make an application to BSE SME for listing of its Equity Shares on the SME platform of BSE. BSE Limited is the Designated Stock Exchange.
- b. Our Company has entered into an agreement with NSDL on July 19, 2024 and with CDSL on August 06, 2024 for dematerialisation of its Equity Shares already issued and proposed to be issued.
- c. The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d. The entire Equity Shares held by the Promoters and Promoter Group are in dematerialised form.



- e. The fund requirements set out for the Objects of the Issue are proposed to be met entirely either from the Net Proceeds, Internal Accruals, net-worth, existing debt financing and unsecured loans. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 90.

Further as there is no requirement of firm arrangement and the project is not partially funded by the bank(s) / financial institution(s), therefore, the details regarding sanction letter(s) from the bank(s)/ financial institution(s) are not disclosed in the draft offer document and offer document.

- f. As there is no selling shareholder in the present Issue, the limit of the size of offer for sale by selling shareholders not exceeding twenty per cent of the total issue size is not applicable.

- g. There are no shares being offered for sale by our shareholders therefore, such limit of fifty per cent is not applicable.

- h. The objects of the Issue do not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230(2) of the SEBI ICDR Regulations, to the extent applicable that is the amount for general corporate purposes, as mentioned in objects of the Issue in this Red Herring Prospectus shall not exceed fifteen per cent of the amount being raised by the Issuer or Rs. 10 crores, whichever is less.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- a. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- b. None of our Promoters or Directors are Promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- c. Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- d. None of our Promoters or Directors is a fugitive economic offender.
- e. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer:  
Provided that the provisions of this clause shall not apply to:
- i. outstanding options granted to employees, whether currently an employee or not, pursuant to an employee stock option scheme in compliance with the Companies Act, 2013, the relevant Guidance Note or accounting standards, if any, issued by the Institute of Chartered Accountants of India or pursuant to the Companies Act, 2013, in this regard;
  - ii. fully paid-up outstanding convertible securities which are required to be converted on or before the date of filing of the red herring prospectus (in case of book-built issues) or the prospectus (in case of fixed price issues), as the case may be.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.



**We further confirm that:**

In accordance with Regulation 246 of the SEBI ICDR Regulations, the Book Running Lead Manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.

In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to the chapter titled “*General Information*” beginning on page 63.

In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to 200 (two hundred), otherwise, the entire application money will be unblocked or refunded forthwith. If such money is not unblocked or repaid within the time prescribed, from the date our company becomes liable to unblock or repay it, then our company and every officer in default shall, on and from expiry of the prescribed time, be liable to unblock or repay such application money, with interest as prescribed under SEBI ICDR Regulations and section 40 of the Companies Act, 2013.

In accordance with Regulation 268 (3A) of the SEBI (ICDR) Amendment 2025 subject to the availability of shares in non-institutional investors’ category, the allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of these regulations.

In accordance with Regulation 246 (3) of the SEBI ICDR Regulations, the Book Running Lead Manager shall ensure to submit a due-diligence certificate as per Form A of Schedule V to which the site visit report of the issuer prepared by the Book Running Lead Manager shall also be annexed, including additional confirmations as provided in Form G of Schedule V along with the offer document to the SME Exchange, where the specified securities are proposed to be listed.

**COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER KHAMBATTA SECURITIES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, KHAMBATTA SECURITIES LIMITED HAVE FURNISHED TO**



**SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 02, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.**

Note: All legal requirements pertaining to the Issue will be complied with at the time of registration of this Red Herring Prospectus with the RoC in terms of section 26 and 28 of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE (SME Platform of BSE Limited). The Disclaimer Clause as intimated by the BSE Limited to our Company, post scrutiny of the Draft Red Herring Prospectus vide its in-principle approval dated May 23, 2025, is as follows:

"BSE Limited ("BSE") has vide its letter dated May 23, 2025, given permission to RACHIT PRINTS 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;
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. 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 at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

#### **DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's



instance and anyone placing reliance on any other source of information, including our Company's website, [www.rachitprints.co.in](http://www.rachitprints.co.in) or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement entered into between the Underwriters and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Khambatta Securities Limited is not an associate of the Company and is eligible to be appointed as the Book Running Lead Manager in this Issue, under SEBI MB Regulations.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company nor Book Running Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs



of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share 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.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **LISTING**

Application had been made to BSE for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has obtained in-principle approval from BSE *vide* letter dated May 23, 2025 to use name of BSE in the Offer Document for listing of equity shares on SME platform of BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within the prescribed time after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the prescribed time, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% p.a.) as prescribed under Section 40 of the Companies Act, 2013.



Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME platform of BSE mentioned above are taken within the three (3) working days of the Bid/Issue Closing Date.

## CONSENTS

Consents in writing of: (a) The Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Book Running Lead Manager, Registrar to the Issue, the Legal Advisor to the Issuer, Practising Company Secretary, Chartered Engineer, Banker to the Issue, Sponsor Bank, Refund Bank, Banker to the Company, Market Maker and Underwriters to act in their respective capacities, have been or shall be duly obtained as the case may be and shall be filed along with a copy of this Red Herring Prospectus with the RoC, as required under Section 26 and Section 28 of the Companies Act, 2013.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s Singhal Gupta & Co. LLP, Chartered Accountants, have provided their written consent to the inclusion of their reports dated July 26, 2025 on Restated Standalone Financial Statements and to the inclusion of their reports dated July 26, 2025 on Statement of Possible Tax Benefits, which may be available to the Company and its shareholders, included in this Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Red Herring Prospectus.

## EXPERT OPINION

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

The report of the Peer Reviewed Auditor on statement of possible tax benefits and report on Restated Standalone Financial Statements for financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023, as included in this Red Herring Prospectus.

Our Company has received a written consent dated December 02, 2024, from the Practising Company Secretary, namely, M/s Prachi Bansal & Associates, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and as an “expert” as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

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

## PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

## COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

## CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP ENTITIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in chapter titled “*Capital Structure*” beginning on page 74, our Company has not made any capital issue during the previous three years.

We do not have any listed Group Entities / Subsidiary/ Associate as on date of this Red Herring Prospectus.



## PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 74, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issuer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

**PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

**SME IPOs**

Sr. No.	Issue Name**	Issue Size (₹ in Crores)	Issue Price (in ₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Vels Films International Limited	33.74	99.00	March 22, 2023	101.00	-0.30 [+2.76]	-3.54 [+9.35]	+35.35 [17.73]
2.	Quality Foils (India) Limited	4.52	60.00	March 24, 2023	100.00	+62.33 [+4.01]	+50.08 [+11.28]	+85.00 [18.82]
3.	Quicktouch Technologies Limited	9.33	61.00	May 02, 2023	92.00	+121.97 [+2.13]	+129.51 [+8.26]	+344.10 [+4.96]
4.	De Neers Tools Limited	22.99	101.00	May 11, 2023	190.00	+74.50 [+1.46]	+144.55 [+6.96]	+136.63 [+6.09]
5.	Sahaj Fashions Limited	13.96	30.00	September 06, 2023	31.00	-11.50 [-0.33]	-19.83 [+5.49]	-15.00 [+14.11]
6.	Divine Power Energy Limited	22.75	40.00	July 02, 2024	162.75	+135.75 [+2.98]	+83.38 [+8.52]	+255.12 [-1.29%]
7.	Jungle Camps India Limited	29.42	72.00	December 17, 2024	136.80	+15.25 [-4.91]	[29.94] [-0.08]	-17.97 [1.57]
8.	P S Raj Steels Limited	28.28	140.00	February 19, 2025	145.00	+0.07 [- 0.04]	-1.36 [+8.78%]	+5.71 [+7.41]
9.	Icon Facilitators Limited <sup>#</sup>	19.11	91.00	July 01, 2025	90.00	-37.37 [-2.65]	-	-
10.	Aaradhya Disposal Industries Limited <sup>@</sup>	45.10	116.00	August 11, 2025	111.00	-	-	-

<sup>#</sup>Icon Facilitators Limited was listed on July 01, 2025, therefore 90 days and 180 days are not applicable.



@ Aaradhya Disposal Industries Limited was listed on August 11, 2025, therefore 30 days, 90 days and 180 days are not applicable.

Sources: All share price data is taken from [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

#### FOR MAIN BOARD IPOs

Sr. No.	Issue Name	Issue size (₹in Crores)	Issue Price (in ₹)	Listing date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, +/- % change in closing benchmark		
						30th calendar days from listing	90th calendar days from listing	180th calendar days from listing
1.	EMS Limited	321.25	211	September 21, 2023	282.05	+43.10 [-1.01]	+100.81 [+8.67]	+82.39 [+11.72]
2.	Vibhor Steel Tubes Limited	72.17	151	February 20, 2024	425.00	+74.60 [-1.61]	+76.42 [+1.82]	+68.64 [+11.05]

Sources: All share price data is taken from [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

Note:

- i. BSE SENSEX and CNX Nifty are considered as the Benchmark Index.
- ii. Prices on BSE/NSE are considered for all of the above calculations.
- iii. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
- iv. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
- v. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.
- vi. The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.
- vii. Restricted to last ten equity IPOs.



**SUMMARY STATEMENT OF DISCLOSURE PRICE INFORMATION OF PAST ISSUES DURING CURRENT FINANCIAL YEAR AND TWO FINANCIAL YEARS PRECEDING THE CURRENT FINANCIAL YEAR HANDLED BY KHAMBATTASECURITIES LIMITED.**

Financial Year	Total no. of IPOs	Total Funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-26	2*	19.11	-	1	-	-	-	-	-	-	-	-	-	-
2024-25	3	80.45	-	-	-	-	-	3	-	-	1	1	-	1
2023-24	5	439.70	-	-	1	3	1	-	-	-	1	4	-	-

*\*Icon Facilitators Limited was listed on July 01, 2025, therefore 180 days are not applicable and Aaradhya Disposal Industries Limited was listed on August 11, 2025, therefore 30 days and 180 days are not applicable.*

**TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER**

For details regarding track record of the Book Running Lead Manager to the issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at [www.khambattasecurities.com](http://www.khambattasecurities.com) for Khambatta Securities Limited.



## STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company has appointed Maashitla Securities 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 coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven 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.

The Company has obtained authentication on the SCORES platform of SEBI and in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Board has also constituted a Stakeholders' Relationship Committee. The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Directors	Status	Nature of Directorship
Mr. Priyesh Kumar Sikariwal	Chairman	Independent Director
Ms. Naina Kansal	Member	Whole-Time Director
Mr. Anupam Kansal	Member	Managing Director

For further details, please refer to the chapter titled "*Our Management*" beginning on page 177.

Our Company has also appointed Ms. Ayushi Verma, as the Compliance Officer of the Company and she may be contacted at the Registered Office of our Company.

### **Ms. Ayushi Verma**

#### **Rachit Prints Limited**

B-9, 10 & 11, Udyog Puram  
Delhi Road, Partapur, Meerut,  
Uttar Pradesh- 250103, India

**Tel No.:** +91 8279656571

**E-mail:** [cs@rachitprints.co.in](mailto:cs@rachitprints.co.in)

**Website:** [www.rachitprints.co.in](http://www.rachitprints.co.in)



## **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

The Company has appointed Registrar to the Issue, to handle the investor grievances in coordination with our 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 the Issue 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 coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI 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 (7) 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.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.



## SECTION IX - ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act 2013, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, SEBI Listing Regulations, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the 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 has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### THE ISSUE

The Issue consists of a Fresh Issue by our Company. Expenses for the issue shall be borne by our Company in the manner specified in the chapter titled "Objects of the Issue" beginning on page 90.

#### AUTHORITY FOR THE ISSUE

The present Public Issue of up to 13,08,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on October 01, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on October 10, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### RANKING OF EQUITY SHARE

The Equity Shares being issued and allotted pursuant to the issue shall be subject to the provisions of the Companies Act, 2013 the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section the chapter titled "*Main Provision of Articles of Association*" beginning on page 306.

#### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended 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 dividends in cash and as per provisions of the Companies Act. For further details, please refer to the chapter titled "*Dividend Policy*" beginning on page 200.



## FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is Rs. 10/- and the Issue Price at the lower end of the Price Band is Rs. [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is Rs. [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an Financial Express and all editions of the Hindi National newspaper, Jansatta, each with wide circulation, and Meerut edition of Pratah Kiran, Hindi being the regional language of Meerut where the registered office of our company is situated, at least two working days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 105.

## COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, refer to the chapter titled “Main Provisions of Articles of Association” beginning on page 306.

## ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements had been signed by our Company with the respective Depositories and the Registrar to the Issue:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue date July 19, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated August 06, 2024.



As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29(1) of the Companies Act, 2013, the equity shares of an Issuer shall be in dematerialized form i.e., not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall be two lots per application, provided it shall be above Rs. 2 lakhs.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large. For further details, please refer to the chapter titled “Issue Procedure” beginning on page 268.

#### **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with Regulation 268(1) of SEBI ICDR Regulations, the minimum number of allottees in the Issue shall be 200 shareholders. In case, the number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **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.

#### **JURISDICTION**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share 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 or to, or for the account or benefit of, U.S. personal (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 U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh



nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for the lock-in of the pre-issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" beginning on page 74 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer to the chapter titled "*Main Provision of Articles of Association*" beginning on page 306.

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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limit under laws or regulations.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Bid/ Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in



the newspapers in which the pre-issue advertisements were published, within two (2) days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an issue for the sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of Underwriters, the Issuer shall refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the Company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen percent per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer to the chapter titled “General Information” beginning on page 63.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall be two lots per application, provided it shall be above Rs. 2 lakhs.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

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.

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

<b>Events</b>	<b>Indicative Dates</b>
<b>Bid/ Issue Opening Date</b>	Monday, September 01, 2025
<b>Bid/ Issue Closing Date</b>	Wednesday, September 03, 2025
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Thursday, September 04, 2025
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Friday, September 05, 2025
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Friday, September 05, 2025
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Monday, September 08, 2025



The above timetable, other than the Bid/ Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three (3) Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay 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.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of this Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

## SUBMISSION OF BIDS

### **Bid/ Issue Period (Except the Bid/ Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”).

### **Bid/ Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST.

### **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 Investors, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Investors.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Investors after taking into account the total number of Bids received and as reported by the BRLM 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 Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM 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/Issue Closing Date, Investors are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus



is Indian Standard Time. Investors are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, 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 Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchange may be taken.

Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **MIGRATION TO MAIN BOARD**

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- a. If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b. If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond Rs. 25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing



Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).

Eligibility criteria for SME companies seeking migration to Main Board and for companies listed on other recognized stock exchanges seeking direct listing on Main Board.

Sr. No.	Details	Unified Eligibility Criteria
1.	<b>Paid up capital</b>	Atleast Rs. 10 Cr.
2.	<b>Market Capitalisation</b>	<p><b>Average of 6 months market cap</b>  <b>Migration:</b> Rs. 100 Cr.  <b>Direct listing:</b> Rs. 1000 Cr.</p> <p>Note: for the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period.</p>
3.	<b>Market Liquidity</b>	<ul style="list-style-type: none"> <li>At least 5% of the weighted average number of equity shares listed should have been traded during such six months' period;</li> <li>Trading on atleast 80% of days during such 6 months period;</li> <li>Min. average daily turnover of Rs. 10 lacs and min. daily turnover of Rs. 5 lacs during the 6 month period;</li> <li>Minimum Average no. of daily trades of 50 and min. daily trades of 25 during the said 6 months period.</li> </ul> <p>Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period.</p>
4.	<b>Operating Profit (EBIDTA)</b>	<p>Average of Rs. 15 Cr. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of Rs. 10 crores in each of the said 3 years.</p> <p>In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.</p>
5.	<b>Networth</b>	Rs. 1 Cr. - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
6.	<b>Net Tangible Assets</b>	<p>At least Rs. 3 Cr. on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:</p> <p>Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project.</p>
7.	<b>Promoter holding</b>	<p>At least 20% at the time of making application.</p> <p>For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement</p>



		Not applicable to companies that have sought listing through IPO, without identifiable promoters.
8.	<b>Lock In of promoter/ promoter group shares</b>	6 months from the date of listing on the BSE. Not applicable to SME companies migrating to main board.
9.	<b>Regulatory Action</b>	<ol style="list-style-type: none"> <li>1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors.</li> <li>2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower.</li> <li>3. Promoters or directors are not fugitive economic offender.</li> <li>4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP.</li> <li>5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.</li> </ol>
10.	<b>Promoter shareholding</b>	100% in demat form
11.	<b>Compliance with LODR Regs</b>	3 years track record with no pending non-compliance at the time of making the application.
12.	<b>Track record in terms of Listing</b>	Listed for atleast 3 years
13.	<b>Public Shareholder</b>	Min. 1000 as per latest shareholding pattern
14.	<b>Other Parameters</b>	<ol style="list-style-type: none"> <li>1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies.</li> <li>2. Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME.</li> <li>3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application.</li> </ol> <p>2 months cooling off from the date the security has come out of T-to-T category or date of graded surveillance action/measure.</p>
15.	<b>Score ID</b>	No pending investor complaints on SCORES.
16.	<b>Business Consistency</b>	Same line of business for 3 years. At least 50% of the revenue from operations from such continued business activity.
17.	<b>Audit Qualification</b>	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

## MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to the chapter titled “*General Information*” beginning on page 63.

## RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the Pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter titled “*Capital Structure*” beginning on page 74 and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation/ splitting except as provided in the Articles of Association. 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring 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.

#### **APPLICATION BY ELIGIBLE NRIs, FPIs OR VCFs REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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 guideline 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.

#### **OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to Rs. 10 crores (rupees ten crore) shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue, please refer to the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 253 and 268 respectively.

This public issue comprises of up to 13,08,000 equity shares of face value of Rs. 10/- each for cash at a price of Rs. [●]/- per equity share including a share premium of Rs. [●]/- per equity share (the “issue price”) aggregating to Rs. [●] Lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute [●]% and [●]% respectively of the Post Issue Paid-up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors who applies for minimum application size
<b>Number of Equity Shares available for allocation</b>	66,000 Equity Shares	Not more than 26,000 Equity Shares.	Not less than 6,08,000 Equity Shares	Not less than 6,08,000 Equity Shares
<b>Percentage of Issue size available for allocation<sup>(2)</sup></b>	5.05% of the issue size	Not more than 50% of the Net Issue. We have reserved 2.09% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Net Issue. We have reserved 48.95% of the Net Issue. Further, the allocation in the NIIs category shall be as follows: (a) 1/3rd of the portion available to NIIs shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs. 10 lakhs; (b) 2/3rd of the portion available to NIIs shall be reserved for applicants with application size of more than Rs. 10 lakhs: Provided that the unsubscribed portion in either	Not less than 35% of the Net Issue. We have reserved 48.95% of the Net Issue.



			of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.	
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	Proportionate as follows:  a. 2,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  b. 24,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate
<b>Mode of Bid</b>	Only through the ASBA Process	Only through the ASBA process.	ASBA only (including the UPI mechanism), to the extent of bids up to Rs. 5,00,000.	ASBA only (including the UPI mechanism).
<b>Mode of Allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 2,00,000.	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds Rs. 2,00,000.	Two lots comprising of [●] Equity Shares. [●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount exceeds Rs. 2,00,000.



<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder.	Two lots comprising of [●] Equity Shares.
<b>Trading Lot</b>	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			
<b>Mode of Bid*</b>	ASBA only in case of UPI Bidders, ASBA process will include the UPI Mechanism. ASBA Bids placed by Non-Institutional Investors shall have a limit of up to Rs. 5,00,000.			

\* SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Individual Investors, QIB NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- 1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- 2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- 3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- 4) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder



would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

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

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers ( in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Meerut edition of Pratah Kiran (Hindi also being the regional language of Meerut, where our Registered Office is located).

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of this Red Herring Prospectus with RoC.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities at Mumbai.

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

<b>Events</b>	<b>Indicative Dates</b>
<b>Bid/Issue Opening Date</b>	Monday, September 01, 2025
<b>Bid/Issue Closing Date</b>	Wednesday, September 03, 2025
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Thursday, September 04, 2025
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Friday, September 05, 2025
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Friday, September 05, 2025
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Monday, September 08, 2025

Bids 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 Bid/Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/ Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than individual applicants/ investors.



- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only individual applicants/ investors, which may be extended up to such time as deemed fit by BSE Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

All Investors should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI 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.

Additionally, all Investors may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) price discovery and allocation; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 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 01, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the process and timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. Pursuant to its circular SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05, 2022, the SEBI has increased the UPI limit from Rs. 2,00,000 to Rs. 5,00,000 for all the individual investors applying in public issues.

With effect from July 01, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 and made effective on a voluntary basis for all issues opening on or after September 01, 2023 and on a mandatory basis for all issues opening on or after December 01, 2023.

The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, 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, introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, which came into force with effect from May 01, 2021, except as amended pursuant to the circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023. The SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09,



2023) and rescinded these circulars to the extent relevant for RTA. The provisions of these circulars are deemed to form part of this Red Herring Prospectus.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 01, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of regulation 23(4), 23(5) and regulation 271 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, the timelines, processes and compensation policy shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and book running lead manager shall continue to coordinate with intermediaries involved in the said process.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this Section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Further, our Company and the Book Running Lead Manager are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for Bid in this Issue.

#### **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, wherein 1/3rd of the NII portion shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs. 10 lakhs and 2/3rd of the NII portion shall be reserved for applicants with application size of more than Rs. 10 lakhs and not less than 35% of the Issue shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Investors at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for Individual Investors Bidding in the Individual Investors Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Investors will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **AVAILABILITY OF RED HERRING PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of this Red Herring Prospectus together with the Application Forms and copies of this Red Herring Prospectus may be obtained from the Registered Office of our Company,



from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of, among others, equity shares. Pursuant to the SEBI UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for Bids by UPI Bidders through designated intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment Mechanism, the SEBI UPI Circular have introduced the UPI Mechanism in three phases in the following manner:

- **Phase I:** This phase was applicable from January 01, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an Individual Investors had the option to submit the ASBA Form with any of the designated intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continue to be six Working Days.
- **Phase II:** This phase has become applicable from July 01, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of UPI with ASBA until implementation of UPI Phase III.
- **Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 01, 2023 and on a mandatory basis for all issues opening on or after December 01, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced from Six working days to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as 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. This Issue will be made under UPI Phase III of the UPI Circular.

Pursuant to the SEBI UPI Circular, 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 SEBI 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 not later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – issue BRLM will be required to compensate the concerned investor.

All SCSBs issuing the facility of making applications in public issues shall also provide the facility to make application using UPI. Our Company 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 UPI Bidders using the UPI Mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021. NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than Rs. 2 lakhs to Rs. 5 lakhs for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLM.

## **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the Abridged Prospectus will be available at the offices of the BRLM, the Designated Intermediaries at relevant Bidding Centres, and at the Registered Office & Corporate Office of our Company. The electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE Limited ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Bid/Issue Opening Date.

All Investors shall mandatorily participate in the Issue only through the ASBA process. All ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidder using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Investors shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or sponsor banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) Individual Investors (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTA or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTA or CDPs.
- (iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.



ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Individual Investors and Eligible NRIs applying on a non-repatriation basis ^	White
Non-Residents including FPIs, eligible NRIs, FIIs, FVCIs, registered bilateral and multilateral institutions etc. applying on a repatriation basis^	Blue

\*Excluding electronic Bid cum Application Form.

^Electronic Bid cum Application Form and the abridged prospectus will be made available for download on the website of the BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investors (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.**

**Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).**

**Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of this Red Herring Prospectus.**

**The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.**

**An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)**

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Individual investors submitting application with any of the entities at (2) to (5) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*



**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/ her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/ Client ID or Pan ID (Either DP ID/ Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in this Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For Individual Investors using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, Individual Investors should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate Individual Investors (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

**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 this Red Herring Prospectus for more details.**



**Subject to the above, an illustrative list of Bidders is as follows:**

- a. 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);
- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d. Mutual Funds registered with SEBI;
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k. Foreign Venture Capital Investors registered with the SEBI;
- l. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p. Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r. Multilateral and bilateral development financial institution;



- s. Eligible QFIs;
- t. Insurance funds set up and managed by army, navy or air force of the Union of India;
- u. Insurance funds set up and managed by the Department of Posts, India;
- v. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing 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 08, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 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 Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Individual Investors**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by Applicant is above Rs. 2,00,000. In case of revision of Applications, the Individual Investors who applies for minimum application size have to ensure that the Application Price is greater than Rs. 2,00,000, as the application price payable by the Individual Investors shall be above Rs. 2,00,000.

##### **2. For Other than Individual Investors (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Investors are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**



**The above information is given for the benefit of the Investors. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Investors 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.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national daily newspaper, Financial Express and all editions of the Hindi National newspaper, Jansatta, each with wide circulation, and Meerut edition of Pratah Kiran, hindi being the regional language of Meerut where the registered office of our company is situated each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Investors during the Bid / Issue Period.

- a. The Bid/ Issue Period shall be for a minimum of three working days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional one working day, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in Financial Express and all editions of the Hindi National newspaper, Jansatta, each with wide circulation, and Meerut edition of Pratah Kiran, hindi being the regional language of Meerut where the registered office of our company is situated each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c. The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d. The BRLM/ the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e. Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic



bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

- h. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum 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 Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Individual Investors, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Investors shall submit the Bid cum Application Form along with a cheque/ demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **PARTICIPATION BY ASSOCIATES/ AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.



## INFORMATION FOR THE INVESTORS/BIDDERS:

1. Our Company and the Book Running Lead Manager shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) Financial Express and all editions of the Hindi National newspaper, Jansatta, each with wide circulation, and Meerut edition of Pratah Kiran, hindi being the regional language of Meerut where the registered office of our company is situated . This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus/ Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with who the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants/ Investors has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.



10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by HUFs should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIs**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.



Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of restrictions on investment by NRIs, please refer to the chapter titled “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 304.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

#### **Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by an 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.

#### **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of the post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company. With effect from April 01, 2020, the aggregate limit by FPIs 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%. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

To ensure compliance with the applicable limits, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Issue shall:

- i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI, and
- ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.



In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. 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 an 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 instrument is made by, or on behalf of it subject to, among others, the following conditions:

- a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be regarded as multiple Bids:

- FPIs which utilise the multi-investment manager (“MIM”) structure.
- 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 I FPIs.
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to the aforesaid seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation.

In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFs, VCFs AND FVCIs**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under



the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) 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.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

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.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended, is 10% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition,



the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 164.

#### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) Equity Shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) 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 Rs. 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 5,000,000 lakhs or more but less than Rs. 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, 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 Rs. 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders 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 Bidder.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **TERMS OF PAYMENT**

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.



SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **PAYMENT MECHANISM**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Individual Applicants/Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors/ Applicants applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Bid/Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them;
  - ii. the applications uploaded by them;
  - iii. the applications accepted but not uploaded by them; or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to:
  - i. The applications accepted by any Designated Intermediaries;
  - ii. The applications uploaded by any Designated Intermediaries; or



- iii. The applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Bid/Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Bid/Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.



10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non- Individual Investors and Individual Investors , applications would not be rejected except on the technical grounds as mentioned in this Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Bid/Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **BUILD OF THE BOOK**

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **WITHDRAWAL OF BIDS**

- a. Individual Investors can withdraw their Bids until Bid/ Issue Closing Date. In case an Individual Investor wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **PRICE DISCOVERY AND ALLOCATION**

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.



- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in this Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to this Red Herring Prospectus.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to this Red Herring Prospectus.
- e. In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

#### **Illustration of the Book Building and Price Discovery Process:**

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

<b>Bid Quantity</b>	<b>Bid Amount (Rs.)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **GENERAL INSTRUCTIONS**

##### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an Individual Investors bidding using the UPI Mechanism in the Bid cum Application Form and if you are an Individual Investors



- using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
  6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
  7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
  8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
  9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
  10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
  11. Individual Investors bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for Individual Investors 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;
  12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of Individual Investors submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
  14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the 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, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the 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;



15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the 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;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. Individual Investors who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the Individual Investors ’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. Individual Investors shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investors may be deemed to have verified the attachment containing the application details of the Individual Investors in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (Individual Investors bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids 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



Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount less than Rs. 2,00,000 (for Bids by Individual Bidders);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are an Individual Investors and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. 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;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid 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);



17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not an Individual Investor;
19. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;
21. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investors. Individual Investors can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
24. If you are an Individual Investors which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
25. Do not Bid if you are an OCB; and
26. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum 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 the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please refer to the chapters titled “*General Information*” and “*Our Management*” beginning on pages 63 and 177 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please refer to the chapter titled “*General Information*” beginning on page 63.

#### **GROUNDS FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by Individual Investors using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;



5. Bids under the UPI Mechanism submitted by Individual investors 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);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by Individual Bidders with Bid Amount of upto Rs. 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by Individual Investors uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information*” beginning on page 63.

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 Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of Rs. 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 01, 2023 and on mandatory basis for public issues opening on or after December 01, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 01, 2018, June 28,



2019, November 08, 2019, March 30, 2020, March 16, 2021, June 02, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section of the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

### **BASIS OF ALLOCATION**

- a. The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in this Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to this Red Herring Prospectus.
- b. Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to this Red Herring Prospectus.

### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **FLOW OF EVENTS FROM THE CLOSURE OF BIDDING PERIOD (T DAY) TILL ALLOTMENT:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.



- RTA prepares the list of final rejections and circulate the rejections list with BRLM/Company for their review/comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

**Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the over subscription times.
- In categories where there is under-subscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

## **BASIS OF ALLOTMENT**

**a. For Individual Investors**

Bids received from the Individual Investors / Applicants at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Investors / Applicants will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional Investors and QIB Bidders shall be available for allotment to Individual Investors/ Applicants who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Individual Investors/ Applicants to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Investors**

Bids received from Non-Institutional Investors at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Investors will be made at the Issue Price.

The Issue size less Allotment to QIBs and Individual Investors shall be available for allotment to Non- Institutional Investors who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate



demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Investors to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

The allocation in the non-institutional investors category shall be as follows:

(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than Rs. 10 lakhs;

(b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than Rs. 10 lakhs:

Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.”

**c. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

ii. In the second instance, allotment to all QIBs shall be determined as follows:

- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the SME platform of BSE Limited The allocation may be made in marketable lots on proportionate basis as set forth hereunder:



- a. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b. The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c. For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d. If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.

**Individual Investor means an investor who applies for minimum application size of two lots which shall be above Rs. 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 BSE Limited.**

**The Executive Director / Managing Director of BSE Limited - the Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

1. Upon approval of the Basis of Allotment by the Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue. The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.
3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Bid/Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders 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.



### **Designated Date:**

On the Designated date, the SCSBs shall transfer 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 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and



address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- issue or post issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Bid/Issue Closing Date;
- ii. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) working days of the Bid/Issue Closing Date, would be ensured; and
- iii. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

***SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular is applicable, on voluntary basis for public issues opening on or after September 01, 2023 and on mandatory basis for public issues opening on or after December 01, 2023.***

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation BSE Limited. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] equity shares; and



- ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Stock Exchange. The Executive Director/Managing Director of the BSE Limited Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements had been signed by our Company with the respective Depositories and the Registrar to the Issue before filing of this Red Herring Prospectus:

- i. We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on July 19, 2024.
- ii. We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on August 06, 2024.
- iii. The Company's Equity shares bear an ISIN No. INE0ZN101029.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of 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.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.



- 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 his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, shall announce the floor price or the price band at least two working days before the opening of the issue in the pre-issue and price band advertisement in the format specified under Part A of Schedule X in all edition of Financial Express, an English National daily newspaper and in all edition of Jansatta, a Hindi National daily newspaper and Meerut edition of Pratah Kiran (Hindi also being the regional language of Meerut where our Registered Office is located), each with wide circulation.

In the Pre-Issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a. Our Company and the Underwriters have entered into an Underwriting Agreement dated August 08, 2025.

#### 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:**

1. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
2. *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*
3. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs. 10 Lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs. 10 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person



guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs. 50 Lakhs or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/ unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchange promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the Stock Exchange.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;



- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of the FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in manufacturing, technical textiles, fabrics, garments sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. For details, please refer to the chapter titled “*Issue Procedure*” beginning on page 268.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity



capital on a fully diluted basis. For details, please refer to the chapter titled “*Issue Procedure*” beginning on page 268.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, 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 FDI Policy and the FEMA Non-debt 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 Non-Debt Rules. 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 in writing about such approval along with a copy thereof within the Bid/ Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids 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 BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring 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.**



## SECTION X – MAIN PROVISION OF ARTICLES OF ASSOCIATION

Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Public Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

Article No.	DESCRIPTION	
<b>INTERPRETATION</b>		
<b>1.</b>	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the management of the Company and for the observance of the Members there of and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicability.</b>
<b>Interpretation Clause</b>		
<b>2.</b>	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	"The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof.	<b>Act</b>
	“These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	“Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	"Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	“The Company” shall mean Rachit Prints Limited	<b>The Company</b>
	“Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	"Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	"In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	“Meeting” or “General Meeting” means a meeting of members.	<b>Meeting or General Meeting</b>
	"Month" means a calendar month.	<b>Month</b>



	"Annual General Meeting" means a general meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	"Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	"National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	"Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	"Office" means the registered Office of the Company.	<b>Office</b>
	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	"Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	"Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	"The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	The Statutes means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	"These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	"Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>		
<b>3.</b>	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital</b>
<b>4.</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>



	Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6.	Subject to the provisions of Section 55 of the Act and in accordance with these Articles, the Company shall have the power to issue preference shares, whether cumulative or non-cumulative, or convertible or non-convertible, which are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.	<b>Redeemable Preference Shares</b>
7.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares	<b>Voting rights of preference shares</b>
8.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
9.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be	<b>Reduction of capital</b>



	called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	
10.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	<b>Debentures</b>
11.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	<b>Issue of Sweat Equity Shares</b>
12.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
13.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
14.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division and Cancellation</b>
15.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
17.	If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than	<b>Modification of rights</b>



	<p>three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	
18.	<p>The rights conferred upon the holders of the Shares including Preference Share, (if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari-passu therewith.</p>	<p><b>New Issue of Shares not to affect rights attached to existing shares of that class.</b></p>
19.	<p>Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.</p>	<p><b>Shares at the disposal of the Directors</b></p>
20.	<p>The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.</p>	<p><b>Power to issue shares on preferential basis</b></p>
21.	<p>The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.</p>	<p><b>Shares should be Numbered progressively and no share to be subdivided</b></p>
22.	<p>An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.</p>	<p><b>Acceptance of Shares</b></p>
23.	<p>Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied</p>	<p><b>Directors may allot shares as fully paid-up</b></p>



	or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately</b>
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members</b>
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares</b>
<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>		
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	<b>Return of Allotment</b>
<b>CERTIFICATES</b>		
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by	<b>Share Certificates</b>



	<p>two directors and the company secretary, wherever the company has appointed a company secretary provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
<p>29.</p>	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed</b></p>
<p>30.</p>	<p>If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of</p>	<p><b>The first named joint holder deemed Sole holder</b></p>



	all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	
31.	The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders</b>
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognise any interest in share other than that of registered holders</b>
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Instalment on shares to be duly paid</b>
34.	Notwithstanding anything contained in these Articles, the Directors of the Company may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law.	<b>Right of Directors to refuse sub-division</b>
35.	Notwithstanding anything contained herein, certificate, if required, for a dematerialised share, debenture and other security shall be issued in the name of the Depository, however, the Person who is the Beneficial Owner of such shares, debentures and other securities shall be entitled to all the rights as set out in these Articles	<b>Issue of certificates, if required, in the case of dematerialized shares / debentures / other securities</b>
36.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
37.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
38.	(a) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.	<b>Directors may make calls</b>



	(b) A call may be revoked or postponed at the discretion of the Board. (c) A call may be made payable by instalments.	
39.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
40.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution</b>
41.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis</b>
42.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time</b>
43.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest</b>
44.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.	<b>Sums deemed to be calls</b>
45.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly	<b>Proof on trial of suit for money due on shares</b>



	convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
46.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture</b>
47.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at 12% per annum The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	<b>Payments in Anticipation of calls may carry interest</b>
<b>LIEN</b>		
48.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. Every fully paid share shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.	<b>Company to have Lien on shares</b>
49.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been	<b>As to enforcing lien by sale</b>



	served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
50.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	<b>Application of proceeds of sale</b>
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
51.	If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	<b>If call or instalment not paid, notice may be given</b>
52.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.	<b>Terms of notice</b>
53.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such	<b>On default of payment, shares to be forfeited</b>



	forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	
54.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
55.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
56.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest</b>
57.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture</b>
58.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture</b>
59.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares</b>
60.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares</b>
61.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared	<b>Forfeiture may be remitted</b>



	with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
62.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
63.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
64.	The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares</b>
65.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form</b>
66.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	<b>Transfer not to be registered except on production of instrument of transfer</b>
67.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors	<b>Directors may refuse to register transfer</b>



	<p>may, decline to register—any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;</p>	
<b>68.</b>	<p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within a period of thirty days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p>	<b>Notice of refusal to be given to transferor and transferee</b>
<b>69.</b>	<p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>	<b>No fee on transfer</b>
<b>70.</b>	<p>The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made there under close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.</p>	<b>Closure of Register of Members or debenture holder or other security holders</b>
<b>71.</b>	<p>In the case of transfer of shares, debentures or other marketable securities where the Company has not issued any certificate and where shares and securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply. Provided that in respect of the shares, debentures and other marketable securities held by the Depository on behalf of a Beneficial Owner as defined in the Depositories Act, Section 89 of the Act shall not apply.</p>	<b>Applicability of Depositories Act</b>
<b>72.</b>	<p>The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.</p>	<b>Custody of transfer Deeds</b>
<b>73.</b>	<p>Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p>	<b>Application for transfer of partly paid shares</b>
<b>74.</b>	<p>For this purpose, the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>	<b>Notice to transferee</b>



75.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative</b>
76.	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	<b>Titles of Shares of deceased Member</b>
77.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<b>Notice of application when to be given</b>
78.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee</p>	<b>Registration of persons entitled to share otherwise than by transfer (Transmission clause)</b>



	registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	
79.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee</b>
80.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission</b>
81.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer</b>
82.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India</b>
83.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
84.	<p>a) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>b) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified</p>	<b>Nomination</b>



	<p>under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>c)The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	
<b>85.</b>	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
<b>DEMATERIALISATION OF SHARES</b>		
<b>86.</b>	<p>Subject to the provisions of the Act and Rules made there under the Company may offer its members facility to hold securities issued by it in dematerialized form.</p>	<b>Dematerialisation of Securities</b>
<b>JOINT HOLDER</b>		
<b>87.</b>	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.</p>	<b>Joint Holders</b>
<b>88.</b>	<p>The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</p>	<b>Joint and several liabilities for all payments in respect of shares</b>
<b>89.</b>	<p>On the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;</p>	<b>Title of survivors</b>



90.	Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient</b>
91.	Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders</b>
92.	Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such Persons so present whose name stands first or higher (as the case may be) in the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.	<b>Vote of joint-holders</b>
93.	Several executors or administrators of a deceased Member in whose (deceased Member) sole name any share stands, shall for the purpose of this clause be deemed joint holders.	<b>Executors or administrators as joint holders</b>
94.	A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian and may, on a poll, vote by proxy. If any Member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	<b>How members non composmentis and minor may vote</b>
95.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent embers, etc.</b>
96.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	<b>Business may proceed pending poll</b>
<b>SHARE WARRANTS</b>		
97.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and	<b>Power to issue share warrants</b>



	such fee as the Board may, from time to time, require, issue a share warrant.	
<b>98.</b>	<p>The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	<b>Deposit of share warrants</b>
<b>99.</b>	<p>Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
<b>100.</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>101.</b>	<p>The Company may, by ordinary resolution in General Meeting,</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	<b>Conversion of shares into stock or reconversion</b>
<b>102.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock</b>
<b>103.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock Holders</b>
<b>104.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to	<b>Regulations</b>



	stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	
<b>BORROWING POWERS</b>		
<b>105.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow</b>
<b>106.</b>	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges</b>
<b>107.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed</b>
<b>108.</b>	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors</b>
<b>109.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles, make calls on the	<b>Mortgage of uncalled Capital</b>



	members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	
<b>110.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given</b>
<b>MEETINGS OF MEMBERS</b>		
<b>111.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM</b>
<b>112.</b>	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and the quorum for the general meetings shall be as provided in section 103	<b>Presence of Quorum</b>
<b>113.</b>	The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members.	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>114.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice</b>
<b>115.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
<b>116.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant</b>



117.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<b>Chairman with consent may adjourn meeting</b>
118.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote</b>
119.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment</b>
120.	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.	<b>Demand for poll not to prevent transaction of other business</b>
<b>VOTES OF MEMBERS</b>		
121.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote</b>
122.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in subsection (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled</b>
123.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote</b>
124.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his	<b>Vote of member of unsound mind and of minor</b>



	committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	
<b>125.</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
<b>126.</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
<b>127.</b>	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	<b>Votes of joint members</b>
<b>128.</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
<b>129.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate</b>
<b>130.</b>	A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance</b>
<b>131.</b>	A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period</b>
<b>132.</b>	Any person entitled under Article 78 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the	<b>Votes in respect of shares of deceased or insolvent members</b>



	Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	
<b>133.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands</b>
<b>134.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy</b>
<b>135.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy</b>
<b>136.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member</b>
<b>137.</b>	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes</b>
<b>138.</b>	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote</b>
<b>139.</b>	Where a poll is to be taken, the Chairperson of the meeting shall appoint such numbers of persons, as he deems necessary to scrutinise the poll process and votes given on the poll and to report thereon. The Chairperson shall have power, at any time before the result of the poll is declared to remove a scrutiner from office and to fill vacancies in the office of scrutiner arising from such removal or from any other cause.	<b>Scrutinizers at poll</b>
<b>DIRECTORS</b>		
<b>140.</b>	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	<b>Number of Directors</b>



141.	(a)The Following shall be the First Directors of the Company: 1. Anupam Kansal 2. Anita Kansal (b) The Company in General Meeting may from time to time increase or reduce the number of Directors within the limit fixed as above.	<b>First Directors</b>
142.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares</b>
143.	Subject to the provisions of the Companies Act, 2013and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	<b>Nominee Directors</b>
144.	The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director</b>
145.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.	<b>Additional Director</b>
146.	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 Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such	<b>Appointment of Independent Director</b>



	Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations	
147.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Director's power to fill casual vacancies</b>
148.	The Company may, subject to the provisions of the Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.	<b>Removal of Director</b>
149.	The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. The remuneration, including commission on profits, payable to the Directors, including any Managing or Whole-time Director or Manager, if any, shall be determined in accordance with and subject to the provisions of the Act and Rules made thereunder.	<b>Remuneration of directors</b>
150.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees</b>
151.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business</b>
152.	Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation. At each Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but, as between persons who became Directors on the same day those to retire in default of and subject to any agreement among themselves, be determined by lot.	<b>Director liable to retire by rotation</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
153.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors</b>



154.	Notice of every meeting of the Board of the Company shall be given in writing to every Director at his postal address or email address as registered with the Company.	<b>Notice of the Meeting</b>
155.	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	<b>Participation at the Board Meeting</b>
156.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held	<b>Passing of resolution by circulation</b>
157.	The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
158.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided</b>
159.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
160.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee</b>
161.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed</b>
162.	A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time	<b>Chairperson of Committee Meetings</b>



	appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
<b>163.</b>	A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
<b>164.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment</b>
<b>165.</b>	The Company shall cause minutes of the meeting of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the provisions of the Act and Rules made thereunder. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following: i) the names of the Directors present at the meeting of the Board of Directors or of any Committee of the Board; ii) all resolutions and proceedings of meetings of the Board of Directors and Committee of the Board; iii) in the case of each resolution passed at a meeting of the Board of Directors or Committees of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution.	<b>Minutes of proceedings of Board of Directors and Committees to be kept.</b>
<b>166.</b>	Minutes of any meeting of the Board of Directors or of any Committees of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be for all purposes whatsoever prima facie evidence of the actual passing of the resolution recorded and the actual and regular transaction or occurrence of the proceedings so recorded and the regularity of the meeting at which the same shall appear to have taken place.	<b>Board Minutes to be evidence</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>167.</b>	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
<b>168.</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts	<b>Powers of the Board</b>



	and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	
<b>169.</b>	<p>Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say</p> <p>(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.</p> <p>(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.</p>	<b>Certain powers of the Board</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	



	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	
	(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit. (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon. (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. (14) To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon.	
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular	



	business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	
	(20) At any time and from time to time by power of attorney, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities	



	<p>and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p>	
	<p>(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>	
	<p>(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	
	<p>(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.</p>	
	<p>(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.</p>	
	<p>(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.</p>	
	<p>(26) To redeem preference shares.</p>	
	<p>(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.</p>	
	<p>(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p>	



	<p>(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Section 40 of the Act.</p>	
	<p>(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose of, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p>	



	<p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
<b>170.</b>	<p>Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>Subject to the approval of shareholders in their meeting, the Managing Director or Whole Time Director of the Company may be appointed and continue to hold the office of the Chairman and Managing Director or Chairman and Whole-Time Director or Chief Executive officer of the Company at the same time.</p> <p>The Managing Director or Managing Directors or Whole-Time Director or Whole-Time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/ Whole-time Directors</b>
<b>171.</b>	<p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p>	<b>Remuneration of Managing or Whole Time Director</b>
<b>172.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of,</p>	<b>Powers and duties of Managing Director or Whole-time Director</b>



	<p>and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole Time Director or Whole Time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and specially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		
<p><b>173.</b></p>	<p>Subject to the provisions of the Act, —</p> <p>A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<p><b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b></p>
<b>DIVIDEND AND RESERVES</b>		
<p><b>174.</b></p>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p>	<p><b>Division of profits</b></p>



	(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
<b>175.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends</b>
<b>176.</b>	The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	<b>Transfer to reserves</b>
<b>177.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend</b>
<b>178.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted</b>
<b>179.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend</b>
<b>180.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up</b>
<b>181.</b>	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles</b>
<b>182.</b>	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof</b>



	Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	
<b>183.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares</b>
<b>184.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders</b>
<b>185.</b>	Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<b>Dividends how remitted</b>
<b>186.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend</b>
<b>187.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends</b>
<b>188.</b>	The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the Member (or the Person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	<b>Waiver of dividends</b>
<b>189.</b>	Unclaimed Dividend shall be dealt with as provided under the Act or Rules made thereunder.	<b>Unclaimed Dividend</b>
<b>CAPITALIZATION</b>		
<b>190.</b>	(1)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 Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).	<b>Capitalization</b>



	<p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	
<b>191.</b>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) Generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates</b>
<b>192.</b>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings</b>
<b>193.</b>	<p>The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>No member (not being a director) shall have any right of inspecting any account or book or document of the company except as</p>	<b>Inspection of Accounts</b>



	conferred by law or authorised by the Board or by the company in general meeting.	
<b>STATUTORY REGISTERS</b>		
<b>194.</b>	The Company shall keep and maintain at its registered office all statutory registers including, register of charges, annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection at all working days during business hours, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	<b>Statutory Registers</b>
<b>FOREIGN REGISTER</b>		
<b>195.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
<b>196.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given</b>
<b>197.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company.	<b>Authentication of documents and proceedings</b>
<b>WINDING UP</b>		
<b>198.</b>	Subject to the provisions of Chapter XX of the Act and rules made there under— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	<b>Winding up</b>
<b>INDEMNITY</b>		
<b>199.</b>	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the	<b>Directors' and others right to indemnity</b>



	Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	
<b>200.</b>	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	<b>Not responsible for acts of others</b>
<b>INSURANCE</b>		
<b>201.</b>	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	
<b>GENERAL POWER</b>		
<b>202.</b>	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.	
<b>SECURITY</b>		
<b>203.</b>	Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the	<b>Secrecy</b>



	state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	
<b>204.</b>	No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>



## SECTION XI – 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 this Red Herring 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 this Red Herring Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at B-9, 10 & 11, Udyog Puram Delhi Road, Partapur, Meerut, Uttar Pradesh-250103 India, from date of this Red Herring Prospectus to Bid/Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### MATERIAL CONTRACTS TO THE ISSUE

1. Issue Agreement November 22, 2024 dated between our Company and the Book Running Lead Manager.
2. Agreement dated November 09, 2024 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated August 08, 2025 between our Company and the Underwriters.
4. Market Making Agreement dated July 18, 2025 between our Company, the Book Running Lead Manager and the Market Maker.
5. Syndicate Agreement dated July 18, 2025 between our Company, the Book Running Lead Manager, the Syndicate Member and the Registrar to the Issue.
6. Public Issue Account agreement dated July 28, 2025 among our Company, the Book Running Lead Manager, the Public Issue Bank/ Banker to Issue, and the Registrar to the Issue.
7. Tripartite agreement dated July 19, 2024, among NSDL, our Company and the Registrar to the Issue.
8. Tripartite agreement dated August 06, 2024, among CDSL, our Company and the Registrar to the Issue.

#### MATERIAL DOCUMENTS TO THE ISSUE

1. Our Memorandum and Articles of Association, as amended from time to time.
2. Our Company was incorporated under the name & style of “Rachit Prints Private Limited” having Certificate of incorporation dated March 31, 2003. Further, upon conversion of our Company from private limited to public limited company a fresh Certificate of Incorporation dated July 29, 2024 was issued to the Company from ROC Kanpur.
3. Resolution of the Board of Directors dated October 01, 2024, authorising the Issue.
4. Resolution of the shareholders dated October 10, 2024, under section 62(1)(c) of the Companies Act, 2013 authorising the Issue.
5. Resolution of the Board of Directors dated December 02, 2024 approving the Draft Red Herring Prospectus.
6. Resolution of the Board of Directors dated May 14, 2025 approving the Addendum to the Draft Red Herring Prospectus.
7. Resolution of the Board of Directors dated August 21, 2025 approving this Red Herring Prospectus.
8. Resolution of the Board of Directors dated [●] approving the Prospectus.
9. Auditor’s Report dated July 26, 2025, on the Restated Standalone Financial Information of our Company included in this Red Herring Prospectus. The Statement of Possible Tax Benefits dated July 26, 2025, from our Statutory Auditors included in this Red Herring Prospectus.
10. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory & Peer Review Auditor, Practising Company Secretary, Chartered Engineer, Banker to our Company, Banker to the Issue, Sponsor Bank, the Book Running Lead Manager, the Underwriters, the Market Maker, Syndicate Member, Registrar to the Issue, Legal Advisor to act in their respective capacities.
11. Copy of in-principle approval from BSE *vide* letter dated May 23, 2025 to use the name of BSE in the Offer Document for listing of Equity Shares on SME Platform of BSE.



12. Due Diligence Certificate dated December 02, 2024 along with the confirmations as provided in Form G of Schedule V dated August 21, 2025 from the Book Running Lead Manager.
13. Copy of Managing Director Agreement between Mr. Anupam Kansal and our Company dated October 01, 2024 for his appointment.
14. Copy of Whole-Time Director Agreement to the agreement between Ms. Naina Kansal and our Company dated October 01, 2024 for her appointment.
15. NOC from secured lenders i.e. Federal Bank Limited dated November 08, 2024 and SIDBI dated July 24, 2025
16. Certificates issued by, Singhal Gupta & Co. LLP, Chartered Accountants certifying the Issue Expenses, Working Capital, Cost of Acquisition, Other Financial Information, Financial Indebtedness, Capitalisation Statement and Key Performance Indicators.
17. Factory Visit Report of our Company dated August 10, 2024 and February 08, 2025 issued by Book Running Lead Manager.
18. Certificate from Garg & Associates, Chartered Engineer dated July 25, 2025.
19. Certificate from Prachi Bansal & Associates, Practising Company Secretary dated April 22, 2025.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, with the approval of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY:

Name	DIN	Designation	Signature
Anupam Kansal	01982805	Managing Director	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY:

Name	DIN	Designation	Signature
Naina Kansal	02313363	Whole-time Director	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE NON - EXECUTIVE DIRECTOR OF OUR COMPANY:

Name	DIN	Designation	Signature
Rose Kansal	10651709	Non – Executive Director	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh



### DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY:

Name	DIN	Designation	Signature
Priyesh Kumar Sikariwal	10651693	Independent Director	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY:

Name	DIN	Designation	Signature
Tarun Sharma	10838034	Independent Director	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh



### DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Name	PAN	Designation	Signature
Garima Moorjani	BUEPM9885Q	Chief Financial Officer	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY:

Name	PAN	Designation	Signature
Ayushi Verma	BGVPV5142A	Company Secretary & Compliance officer	Sd/-

**Date:** August 21, 2025

**Place:** Meerut, Uttar Pradesh