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**DRAFT RED HERRING PROSPECTUS**

Dated: December 28, 2023

Please read Section 26 and 32 of the Companies Act, 2013

(The Draft Red Herring Prospectus will be updated upon filing with the RoC)

**100% Book Built Issue**



**OMFURN INDIA LIMITED**

CIN: L20200MH1997PLC111887

REGISTERED OFFICE	CONTACT PERSON	EMAIL ID AND TELEPHONE	WEBSITE
109, Gundecha Industrial Complex, Akrurali Road, Kandivali (East), Mumbai - 400101, Maharashtra, India	Mrs. Dhara Pratik Shah Company Secretary and Compliance Officer	<b>Email-id:</b> <a href="mailto:omfurn@omfurnindia.com">omfurn@omfurnindia.com</a> <b>Tel.:</b> +91 - 22 4210 8900, <b>Fax No.:</b> +91 - 22 4210 8999	<a href="http://www.omfurnindia.com">www.omfurnindia.com</a>

**OUR PROMOTERS: MR. RAJENDRA CHITBAHAL VISHWAKARMA, MR. MAHENDRA CHITBAHAL VISHWAKARMA**

**DETAILS OF THE PUBLIC ISSUE**

TYPE	FRESH ISSUE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue	Further Public Issue consisting of Fresh Issue of up to 36,00,000 Equity Shares of face value of ₹ 10/- each ("Equity Shares") aggregating upto ₹ [●] Lakhs ("Issue")	Up to ₹ [●] Lakhs	The issue is being made in terms of Regulations 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share reservation among QIBs, Non-Institutional Bidders and Retail Individual Bidder, see "Issue Structure" beginning on page 220 of this Draft Red Herring Prospectus.

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

**RISKS IN RELATION TO THE ISSUE**

This being the further public issue of equity shares of our Company, the face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in 'Basis for Issue Price' on page 78 should not be considered to be indication 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE or NSE Emerge") as in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received "In-Principle" approval from the NSE for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purposes of the Issue the Designated Stock Exchange will be the NSE Emerge.

**BOOK RUNNING LEAD MANAGER**

Name of Book Running Lead Manager and logo	Contact person	Email ID and Telephone
 Gretex Corporate Services Limited	Mr. Arvind Harlalka	<b>Tel:</b> +91 96532 49863 <b>Email-id:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a>

**REGISTRAR TO THE ISSUE**

Name of Registrar	Contact Person	Email ID and Telephone
 Bigshare Services Private Limited	Mr. Babu Raphael C	<b>Tel:</b> +91 22 6263 8200 <b>Email-id:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>

**BID/ ISSUE PROGRAMME**

ANCHOR INVESTOR BID/ ISSUE PERIOD:	[●]*	BID/ ISSUE OPENS ON	[●]*	BID/ ISSUE CLOSES ON	[●]**#
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\*Our Company in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company, in consultation with the BRLM, 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.



## OMFURN INDIA LIMITED

OM Vishwakarma Furniture Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated November 13, 1997 issued by the Registrar of Companies Mumbai, Maharashtra. Subsequently the name of our Company was changed to Omfurn India Private Limited vide shareholder’s approval on April 03, 2013 and fresh certificate of Incorporation dated April 21, 2013. Subsequently, the name of our Company was changed to Omfurn India Limited pursuant to conversion into public company vide Shareholders approval on May 30, 2017 and fresh certificate of Incorporation dated June 15, 2017 was issued to our Company by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is L20200MH1997PLC111887. The shares of our Company got listed with Emerge Platform of NSE Limited through Initial Public Offer on October 13, 2017. For further details, please refer to chapter titled “History and Corporate Structure” on page 140 of this Draft Red Herring Prospectus.

**Registered Office:** 109, Gundecha Industrial Complex, Akuruli Road, Kandivali (East), Mumbai - 400101, Maharashtra, India

**Tel.:** +91-22 4210 8900, **Fax No.:** +91-22 4210 8999; **E-mail id:** [omfurn@omfurnindia.com](mailto:omfurn@omfurnindia.com); **Website:** [www.omfurnindia.com](http://www.omfurnindia.com)

**Contact Person:** Mrs. Dhara Pratik Shah, Company Secretary, and Compliance Officer

### OUR PROMOTERS: MR. RAJENDRA CHITBAHAL VISHWAKARMA AND MR. MAHENDRACHITBAHAL VISHWAKARMA

**FURTHER PUBLIC ISSUE OF 36,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FULLY PAID UP OF OMFURN INDIA LIMITED (“OMFURN” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING ₹ [●] (THE “ISSUE”) BY OUR COMPANY, OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/-EACH FULLY PAID UP WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID UP IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] AND [●] RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 (ten) 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 3 (three) Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) 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 Exchanges, by issuing a public notice, 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.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net 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. 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. (the “Net QIB Portion”). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders (“Non-Institutional Portion”) and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders (“Retail Portion”) in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily participate in the issue only through the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 220 of this Draft Red Herring Prospectus. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISKS IN RELATION TO THE ISSUE

This being the further public issue of the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in ‘Basis for Issue Price’ on page 78 should not be considered to be indication of the market price of the Equity Shares after the Equity Shares listed should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares 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 Issuer 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 23.

### ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE or NSE Emerge”) as in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received “In-Principle” approval from the NSE for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purposes of the Issue the Designated Stock Exchange will be the NSE Emerge.

### BOOK RUNNING LEAD MANAGER

### REGISTRAR TO THE ISSUE



**Gretext Corporate Services Limited**  
A- 401, Floor 4<sup>th</sup>, Plot FP-616, (PT), Naman Midtown,  
Senapati Bapat Marg, Near Indiabulls, Dadar (W),  
Delisle Road, Mumbai - 400013,  
Maharashtra, India  
**Tel.:** +91 96532 49863  
**Email-id:** [info@gretexgroup.com](mailto:info@gretexgroup.com)  
**Investor Grievance Email:** [info@gretexgroup.com](mailto:info@gretexgroup.com)  
**Website:** [www.gretexcorporate.com](http://www.gretexcorporate.com)  
**Contact Person:** Mr. Arvind Harlalka  
**SEBI Registration Number:** INM000012177  
**CIN:** L74999MH2008PLC288128

**Bigshare Services Private Limited**  
S62, 6<sup>th</sup> Pinnacle Business Park,  
Mahakali Caves Road, Next to Ahura Centre,  
Andheri East, Mumbai – 400093  
Maharashtra, India  
**Tel.:** +91 22 6263 8200  
**Email-id:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Contact Person:** Mr. Babu Raphael C  
**SEBI Registration Number:** INR000001385  
**CIN:** U99999MH1994PTC076534

### BID / ISSUE PROGRAMME

ANCHOR INVESTOR BID/ ISSUE PERIOD:	[●]*	BID/ISSUE OPENS ON	[●]*	BID/ISSUE CLOSES ON	[●]**
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\* Our Company Company in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, 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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*Pursuant to Schedule VI of SEBI (ICDR) Regulations, 2018*

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms in the SEBI Act, SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, the Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms used in “Our Industry”, “Statement of Special Tax Benefits”, “Financial Information”, “Basis for Issue Price”, “History and Corporate Structure”, “Statement of Financial Indebtedness”, “Outstanding Litigation and Material Development”, “Issue Procedure”, “Key Regulations and Policies”, and “Main Provisions of the Articles of Association” on pages 86, 83, 149, 78, 140, 190, 192, 225, 118 and 256, respectively, shall have the meanings ascribed to such terms in these respective sections.*

#### General Terms

Term	Description
“the Company”, “our Company”, or “the Issuer”	Omfurn India Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office at 109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai - 400101, Maharashtra, India
“we”, “our” or “us”	Unless the context otherwise indicates or implies, our Company as at and during the relevant period / Fiscal/ Financial Year.

#### Company Related Terms

Term	Description
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in “Our Management” on page 125.
“Auditors” or “Statutory Auditors”	The current statutory auditors of our Company, namely, C B Mehta & Associates, Chartered Accountants.
“Board” or “Board of Directors”	The board of directors of our Company (including any duly constituted committee thereof).
“Chairperson”	Chairperson of the Board of Directors of our Company, as described in “Our Management” on page 125.
“Chief Financial Officer”	The chief financial officer of our Company, namely Mahendra Chitbahal Vishwakarma
“Director(s)”	The director(s) on our Board.
“Equity Shares”	The equity shares of our Company having face value of ₹ 10 each
“Executive Director(s)”	Executive director(s) on our Board. For details, see “Our Management” on page 125.
“Independent Director(s)”	Independent director(s) on our Board. For details, see “Our Management” on page 125.
“FPO Committee”	The committee constituted by our Board for the Issue vide resolution of our Board dated October 28, 2023. For further details, please see “Our Management” on page 125.
“Key Managerial Personnel”	Key managerial personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013, as disclosed in “Our Management – Key Managerial Personnel” on page 137.
“Managing Director and Chief Executive Officer”	Managing director and chief executive officer of our Company, as described in “Our Management” on page 125.
“Materiality Policy”	The Policy for identification of Group Companies, material outstanding litigation involving our Company, our subsidiaries, our Promoters and our Directors and material

Term	Description
	creditors of the Company, as adopted by our Board through its resolution dated October 28, 2023 pursuant to the disclosure requirements under SEBI ICDR Regulations..
“Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended from time to time.
“Nomination and Remuneration Committee”	The Nomination and Remuneration Committee of our Board, as described in “Our Management” on page 125.
“Non-executive Director(s)”	Non-executive director(s) of our Company, as described in “Our Management” on page 125.
“Promoters”	Promoters of our Company being, Rajendra Chitbahal Vishwakarma and Mahendra Chitbahal Vishwakarma
“Promoter Group”	The entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations. For details, see “Our Promoters and Promoter Group” on page 144.
“Registered Office”	109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai -400101, Maharashtra, India.
“Registrar of Companies” or “RoC”	The Registrar of Companies, Maharashtra at Mumbai.
“Restated Financial Information” / “Restated Financial Statements” /	The restated financial information of our Company, comprising of the restated statement of assets and liabilities as at September 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, the restated statement of profit and loss, the restated statement of cash flows, the restated statement of changes in equity for the financial period/years ended September 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)”, as amended issued by ICAI.
“Senior Management”	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as disclosed in “Our Management” on page 125.
“Shareholders”	The holders of the Equity Shares of our Company from time to time.
“Stakeholders’ Relationship Committee”	The stakeholders’ relationship committee of our Board as described in “Our Management” on page 125.
“Company Secretary and Compliance Officer”	Company Secretary and Compliance Officer of our Company being Mrs. Dhara Pratik Shah.

### Issue Related Terms

Term	Description
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
“Acknowledgement Slip”	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid cum Application Form.
“Allot’ or “Allotment” or “Allotted”	Allotment of Equity Shares pursuant to the Fresh Issue to the successful Bidders.
“Allotment Advice”	Advice or intimation of Allotment sent to the Bidders who have bid in the Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
“Allottee”	A successful Bidder to whom an Allotment is made.
“Anchor Investor(s)”	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 200 Lakh
“Anchor Investor Allocation Price”	The final price at which Equity Shares will be allocated to Anchor Investors on the Anchor Investor Bidding Date according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLM.
“Anchor Investor Application Form”	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.

<b>Term</b>	<b>Description</b>
“Anchor Investor Bid/ Issue Period” or “Anchor Investor Bidding Date”	The date, one Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLM will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
“Anchor Investor Issue Price”	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.  The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM.
“Anchor Investor Portion”	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
“Anchor Investor Pay-in Date”	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.
“ASBA” or “Application Supported by Blocked Amount”	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request by the UPI Bidders using the UPI Mechanism
“ASBA Account”	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders using the UPI Mechanism
“ASBA Bid”	A Bid made by an ASBA Bidder.
“ASBA Bidder(s)”	Any Bidder (other than an Anchor Investor) in the Issue who intends to submit a Bid.
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
“Banker(s) to the Issue”	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and “the Sponsor Bank(s), as the case may be
“Basis of Allotment”	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, described in “Issue Procedure” on page 225.
“Bid(s)”	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Issue Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form.  The term ‘Bidding’ shall be construed accordingly.
“Bid Amount”	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form (less Employee Discount, if any) and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
“Bid cum Application Form”	The Anchor Investor Application Form or the ASBA Form, as the context requires.
“Bidder” or “Applicant”	Any prospective investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.

<b>Term</b>	<b>Description</b>
“Bidding Centres”	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
“Bid Lot”	[●] Equity Shares.
“Bid/ Issue Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national daily newspaper [●], and all editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of the state wherein our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulations.  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.
“Bid/ Issue Opening Date”	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper [●], and all editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of state wherein our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulations.
“Bid/ Issue Period”	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
“Book Building Process”	The book building process provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
“Book Running Lead Manager” or “BRLM”	The book running lead managers to the Issue, being Gretex Corporate Services Limited.
“Broker Centres”	Broker centres notified by the Stock Exchange where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism).  The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchange at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> .
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
“Cap Price”	The higher end of the Price Band, above which the Issue Price and Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.
“Cash Escrow and Sponsor Banks Agreement”	The agreement dated [●] amongst our Company, the Registrar to the Issue, the BRLM, the Escrow Collection Bank(s), the Public Issue Account Bank(s), the Sponsor Banks, and the Refund Bank(s) for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
“Client ID”	Client identification number maintained with one of the Depositories in relation to the demat account.
“CDP” or “Collecting Depository Participant”	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the UPI Circulars, and as per the list available on the websites of BSE and NSE.
“Compliance Officer for the Issue”	Compliance officer for the Issue in terms of the SEBI ICDR Regulations.
“Cut-Off Price”	Issue Price, which shall be any price within the Price Band, finalised by our Company in consultation with the BRLM.



Term	Description
	Only Retail Individual Bidders bidding in the Retail Portion are entitled to Bid at the Cut-off Price (net of Employee Discount, if any, for Eligible Employees). QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
“Demographic Details”	Details of the Bidders including the Bidders’ address, name of the Bidders’ father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
“Designated Branches”	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
“Designated Locations”	CDP Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> , respectively,) as updated from time to time.
“Designated Date”	The date on which the Escrow Collection Bank(s) transfers funds from the Escrow Account(s) to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which the Equity Shares will be Allotted in the Issue.
“Designated Market Maker”	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
“Designated Intermediary(ies)”	In relation to ASBA Forms submitted by Retail Individual Bidders by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder, as the case may be, using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs
“Designated Locations”	RTA Such locations of the RTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> , respectively,) as updated from time to time.
“Designated Branches”	SCSB Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
“Designated Exchange”	Stock Nation Stock Exchange “NSE Emerge”
“Draft Red Herring Prospectus or DRHP”	This draft red herring prospectus dated December 28, 2023, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
“Escrow Account(s)”	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.

Term	Description
“Escrow Collection Bank”	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) will be opened, in this case being [●].
“First or sole Bidder”	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
“Floor Price”	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
“General Information Document” or “GID”	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI.
“Gretex” or “GCSL”	Gretex Corporate Services Limited
“Issue” or “Offer” or “Fresh Issue”	The further public offering by way of a fresh issue of up to 36,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakh.
“Issue Agreement”	The agreement dated August 24, 2023, among our Company, the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
“Issue Price”	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price which will be decided by our Company in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.  The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus and the Prospectus.
“Market Making Agreement”	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
“Market Maker Reservation Portion”	The reserved portion of [●] Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakh to be subscribed by Market Maker in this issue.
“Maximum RIB Allottees”	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
“Net Issue”	The Issue less the Market Maker Reservation Portion.
“Net Proceeds”	Proceeds of the Fresh Issue less our Company’s share of the Issue expenses. For further details about use of the Net Proceeds and the Issue related expenses, see “Objects of the Issue – Utilisation of Net Proceeds” and “Objects of the Issue – Issue Related Expenses” on pages 70 and 76 respectively.
“Net QIB Portion”	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
“Non-Institutional Bidders”	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000.
“Non-Institutional Portion”	The portion of this Issue being not more than 15% of the Net Issue, being [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price, out of which i) one third shall be reserved for Bidders with Bids exceeding ₹0.20 million up to ₹1.00 million; and ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1.00 million.
“Non-Resident” or “NR”	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
“Price Band”	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM will be advertised in all editions of the English national daily newspaper [●], and all editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of the state wherein our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchange for the purpose of uploading on their respective websites.

<b>Term</b>	<b>Description</b>
“Pricing Date”	The date on which our Company in consultation with the BRLM, finalise the Issue Price.
“Prospectus”	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information, including any addendum or corrigendum thereto.
“Public Issue Account”	The bank account opened with the Public Issue Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
“Public Issue Account Bank”	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account(s) will be opened, in this case being [●].
“QIBs” or “Qualified Institutional Buyers”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
“QIB Bidders”	QIBs who Bid in the Issue.
“QIB Portion”	Portion of the Issue, being up to 50% of the Net Issue or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Managers), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors)
“QIB Bid/ Issue Closing Date”	In the event our Company in consultation with the BRLM, decide to close Bidding by QIBs one day prior to the Bid/Issue Closing Date, the date one day prior to the Bid/Issue Closing Date; otherwise, it shall be the same as the Bid/Issue Closing Date.
“Red Herring Prospectus” or “RHP”	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
“Refund Account”	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
“Refund Bank”	The Banker to the Issue with whom the Refund Account(s) will be opened, in this case being [●].
“Registrar Agreement”	The agreement dated December 27, 2023, entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
“Registered Brokers”	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the Stock Exchange having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
“Registrar to the Issue” or “Registrar”	Bigshare Services Private Limited
“RTAs” or “Registrar and Share Transfer Agents”	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
“RTA Master Circular”	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
“Resident Indian”	A person resident in India, as defined under FEMA.
“Retail Individual Bidder(s)” or “Retail Individual Investor(s)” or ‘RII(s)’ or “RIB(s)”	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
“Retail Portion”	The portion of the Issue, being not less than 35% of the Net Issue comprising of [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and the remaining Equity Shares to be Allotted on proportionate basis.
“Revision Form”	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).

Term	Description
	QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date.
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
“Self-certified Syndicate Bank(s)” or “SCSB(s)”	<p>The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be prescribed by SEBI and updated from time to time.</p> <p>Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.</p>
“Specified Locations”	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
“Specified Securities”	Specified securities as defined under Regulation 2(eee) of the SEBI ICDR Regulations, 2018
“Sponsor Banks”	Banks registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchange and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars, the Sponsor Banks in this case being [●].
“Sub-Syndicate Members”	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
“Syndicate Agreement”	The agreement dated [●] between our Company, the Registrar to the Issue, the BRLM and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
“Syndicate Members”	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, a SEBI Registered member of NSE appointed by the BRLM, if any
“Syndicate” or “Members of the Syndicate”	The BRLM and the Syndicate Members
“Underwriters”	[●]
“Underwriting Agreement”	The agreement dated [●] between the Underwriters and our Company, entered into on or after the Pricing Date but prior to filing of the Red Herring Prospectus or the Prospectus with the RoC, as applicable.
“UPI Bidders”	<p>Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion and (ii) Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Forms(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 using UPI Mechanism, shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).</p>
“UPI Circulars”	Collectively, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no.

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the RTA Master Circular and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI and Stock Exchange in this regard.
“UPI ID”	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
“UPI Mandate Request”	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Banks to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
“UPI Mechanism”	The bidding mechanism that may be used by an UPI Bidder to make a Bid in the Issue in accordance with UPI Circulars
“UPI PIN”	Password to authenticate UPI transaction.
“Wilful Defaulter”	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
“Working Day”	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Issue Period, the expression “Working Day” shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, the expression ‘Working Day’ shall mean all trading days of Stock Exchange, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI, including the UPI circulars.

### Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations, as amended from time to time.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BIS	Bureau of Indian Standards
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPI(s)	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder

<b>Term</b>	<b>Description</b>
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Competition Act	Competition Act, 2002
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
Depositories	NSDL and CDSL, collectively
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
EBITDA Margin	EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
EGM	Extraordinary general meeting
EPA	Environment Protection Act, 1986
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share in accordance with Indian Accounting Standard 33 (Ind AS 33) - Earnings per share
ESI Act	Employees' State Insurance Act, 1948
ESIC	Employees' State Insurance Corporation
ESOP	Employee stock option plan
Euro	Euro, the official currency of the European Union
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder, as amended from time to time.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017, as amended from time to time.
Financial Year / Fiscal / Fiscal Year	Period of twelve months ending on March 31 of that particular year, unless stated otherwise.
FIR	First information report
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
FPO	Further Public Offer or Further Public Issue
FVCI	Foreign Venture Capital Investors as defined and registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, with SEBI.
GDP	Gross Domestic Product
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
IBC	Insolvency and Bankruptcy Code, 2016, as amended.
ICAI	Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the IAS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015

Term	Description
Ind AS 24	Indian Accounting Standard 24, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules
India	Republic of India
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
INR / Rupee / Rs./ ₹	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
KYC	Know your customer
MCLR	Marginal cost of funds based lending rate
MCA	The Ministry of Corporate Affairs, Government of India
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Negotiable Instruments Act	The Negotiable Instruments Act, 1881, as amended from time to time.
N.A./NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
No.	Number
NPCI	National Payments Corporation of India
NR	Non-Resident
NRE Account	Non Resident Rupee External Account
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an 'Overseas Citizen of India' cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB or 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 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
p.a.	Per annum
P/E	Price/Earnings
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PIL	Public interest litigation
PAT	Profit after tax and is calculated as Profit before tax – Tax Expenses
PAT Margin	PAT Margin is calculated as PAT for the period/year divided by revenue from operations
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
R&D	Research and Development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Return on Capital Employed or ROCE	Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.
Return on Equity or ROE	Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<b>Term</b>	<b>Description</b>
Return on Net Worth or RONW	Return on Net worth for Equity Shareholders (%) = Restated net profit after tax, available for equity shareholders/Restated net worth for the equity shareholders at the end of the period
Revenue from operation	Revenue from operation means revenue from sales, service and other operating revenues
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time.
State Government	The government of a state in India
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Trademarks Act	Trademarks Act, 1999, as amended from time to time.
US\$ / USD / US Dollar	United States Dollar, the official currency of the United States of America
USA / U.S. / US	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time.
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations, as amended from time to time.

#### Technical/ Industry Related Terms

<b>Term</b>	<b>Description</b>
BIFMA	Business and Institutional Furniture Manufacturers
CAD	Computer Aided Design
CNC	Computer Numerical Control
FURN	Furniture
IGBC	Indian Green Building Council
OHSAS	Occupational Health and Safety Assessment Series



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

### **Certain Conventions**

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Omfurn”, “OIL”, and “Omfurn India Limited” unless the context otherwise indicates or implies, refers to “Omfurn India Limited”

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Further, unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### **Financial Data**

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements included in this Draft Red Herring Prospectus comprises of the restated financial Statements of our Company, which comprise of the restated summary statement of assets and liabilities as at September 30, 2023, 31 March 2023, 31 March 2022 and 31 March, 2021, the restated summary statements of profit and loss (including other comprehensive income), the restated summary statement of cash flows and the restated statement of changes in equity for the period/years ended September 30, 2023, 31 March 2023, 31 March 2022 and 31 March 2021, read together with summary statement of significant accounting policies, annexures and notes thereto prepared in accordance with Indian GAAP and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended. For further information, please see “Financial Information” on page 149.

Our Company’s financial year commences on April 1 and ends on March 31 of that particular calendar year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period ended on March 31 of such years unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS Our Company does not provide a reconciliation of its financial statements with Ind AS, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 23, 97 and 179 respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Financial Statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

### Currency and Units of Presentation

All references to “Rupees” or “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India.

All references to “US\$”, “US Dollar”, or “USD” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in Lakh. One lakh represents ‘Lakh’ or 100,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than Lakh, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

### Exchange Rates

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

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows.

(in ₹)

Currency	Exchange Rate as on			
	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.058	82.2169	75.8071	73.5047

\*Since September 30th was Saturday and a holiday hence we have taken one-day prior exchange rate

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

### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance or financial needs are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reason described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

1. Fluctuations in material costs;
2. Our failure to keep pace with changes in technology;
3. Change in customer’s preference;
4. Our ability to attract and retain qualified personnel;
5. Changes in laws and regulations relating to the sectors/areas in which we operate;
6. Our ability to successfully implement our growth strategy and expansion plans;
7. Our ability to meet our working capital requirements;
8. Conflict of Interest with affiliated companies, the promoter group and other related parties; and
9. Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
10. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
11. Changes in government policies and regulatory actions that apply to or affect our business;
12. Other factors beyond our control

For details regarding factors that could cause actual results to differ from expectations, please see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, beginning on pages 23, 97 and 179 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 gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance. Our Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Promoters, our Directors, the Book Running Lead Manager nor any of its respective affiliates or advisors 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 the SEBI ICDR Regulations, our Company and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by Stock Exchanges for the Issue.

## SECTION II - SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Industry”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Material Development” and “Issue Procedure” on pages 23, 41, 58, 70, 86, 97, 144, 149, 192 and 225 respectively of this Draft Red Herring Prospectus.

### A. OVERVIEW OF BUSINESS

Our Company was originally incorporated as “OM Vishwakarma Furniture Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated November 13, 1997 issued by the Registrar of Companies Mumbai, Maharashtra. Subsequently the name of our Company was changed to Omfurn India Private Limited vide shareholder’s approval on April 03, 2013 and fresh certificate of Incorporation dated April 21, 2013. Subsequently, the name of our Company was changed to Omfurn India Limited pursuant to conversion into public company vide Shareholders approval on May 30, 2017 and fresh certificate of Incorporation dated June 15, 2017 was issued to our Company by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is L20200MH1997PLC111887. The shares of our Company got listed with Emerge Platform of National Stock Exchange of India Limited through Initial Public Offer on October 13, 2017.

Omfurn India Limited is manufacturer and supplier of Pre-Finished Wooden Doors and Modular Furniture in India. We have been in business since November 13, 1997, which gives us a quarter-century of experience in this industry. Since then, we have been reaching remarkable milestones in creation and innovation. We create a wide range of wooden doors and furniture for Modular Kitchens, Wardrobes, Vanities and Modern Office furniture through customized, system-based, or turnkey projects PAN India, got listed in NSE the year 2017. For further information, please see “Our Business” on page 97.

### B. OVERVIEW OF THE INDUSTRY

For further information, please see “Our Industry” beginning on page 86.

### C. PROMOTERS

As on the date of this Draft Red Herring Prospectus, our Promoters are Rajendra Chitbahal Vishwakarma and Mahendra Chitbahal Vishwakarma. For further details, please see “Our Promoters and Promoter Group” on page 144.

### D. SIZE OF THE ISSUE

This is a Further Public Issue of upto 36,00,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh (“Issue”), out of which [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakh will be reserved for subscription by the market maker to the issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e., issue of [●] Equity Shares of face value of ₹ 10 each, at an issue price of ₹ [●] per Equity Share for cash, aggregating to ₹ [●] Lakh is hereinafter referred to as the “Net Issue”. The Issue and Net Issue will constitute [●]% and [●]% respectively of the post- issue paid-up Equity Share capital of our Company.

### E. OBJECTS OF THE ISSUE

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

(in ₹ Lakh)

Particulars	Estimated amount	% of Net Proceeds
Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work	Upto 1174.98	[●]
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 125.00	[●]
Funding working capital requirements of our Company	Upto 750.00	[●]
General corporate purposes <sup>(1)</sup>	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see “Objects of the Issue” beginning on page 70.

## F. AGGREGATE PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively holds 60,00,000 Equity Shares of our Company aggregating to 73.40% of the pre-issue paid-up share capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group as a percentage of the paid-up share capital of our Company, as on date of this Draft Red Herring Prospectus:

Name of the Shareholder	Pre-Issue		Post-Issue	
	No. of Equity Shares	Percentage of total Equity Share capital (%)	No. of Equity Shares	Percentage of total Equity Share capital (%)
<b>Promoters</b>				
Rajendra Chitbahal Vishwakarma Jt. Manbhavatidevi Rajendra Vishwakarma	16,80,000	20.55%	16,80,000	[●]
Mahendra Chitbahal Vishwakarma Jt. Maltidevi Mahendra Vishwakarma	16,80,000	20.55%	16,80,000	[●]
<b>Total (A)</b>	<b>33,60,000</b>	<b>41.10%</b>	<b>33,60,000</b>	<b>[●]</b>
<b>Promoter Group</b>				
Narendra Chitbahal Vishwakarma	10,20,000	12.48%	10,20,000	[●]
Ravindra Chitbahal Vishwakarma Jt. Nirmala Ravindra Vishwakarma	7,20,000	8.81%	7,20,000	[●]
Maltidevi Mahendra Vishwakarma Jt. Mahendra Chitbahal Vishwakarma	3,00,000	3.67%	3,00,000	[●]
Manbhavatidevi Rajendra Vishwakarma Jt. Rajendra Chitbahal Vishwakarma	3,00,000	3.67%	3,00,000	[●]
Nirmala Ravindra Vishwakarma Jt. Ravindra Chitbahal Vishwakarma	3,00,000	3.67%	3,00,000	[●]
<b>Total (B)</b>	<b>26,40,000</b>	<b>32.30%</b>	<b>26,40,000</b>	<b>[●]</b>
<b>Total (A+B)</b>	<b>60,00,000</b>	<b>73.40%</b>	<b>60,00,000</b>	<b>[●]</b>

For further details, please see “Capital Structure” beginning on page 58.

## G. SUMMARY OF RESTATED FINANCIAL INFORMATION

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

(in ₹ lakh, except per share data)

Particulars	As at and for the period ended			
	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	681.20	681.20	681.20	681.20
Net worth <sup>(1)</sup>	2,862.95	2,573.79	2,158.92	2,099.11
Total Revenue	4,474.78	7,108.10	3,229.79	2,184.54
Profit/ (Loss) after Tax	289.16	414.84	59.81	(99.41)
Earnings per Equity Share (Basic) (in ₹) <sup>(2)</sup>	3.54	5.08	0.73	(1.22)
Earnings per Equity Share (Diluted) (in ₹) <sup>(3)</sup>	3.54	5.08	0.73	(1.22)
Net Asset value per Equity Share (in ₹) <sup>(4)</sup>	35.02	31.49	26.41	25.68
Total Borrowings	1,890.41	1,138.10	1,595.16	1,585.99

\*September numbers are not annualized.

#EPS and NAV considered after taking effect of Bonus Issue made on October 07, 2023.

(1) “Net Worth” means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Financial Statements;

- (2) *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period*
- (3) *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.*
- (4) *Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period*

For further details, please see “Restated Financial Statements” on page 149.

## H. AUDITOR QUALIFICATION

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information. For further details, please see “Restated Financial Statements” on page 149.

## I. SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings involving our Company, Directors, and Promoters, to the extent applicable, as on the date of this Draft Red Herring Prospectus is provided below:

Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoters in the last 5(five) financial years	Material civil litigations	Aggregate amount involved (₹ in Lakh)*
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	1	Nil	Nil	Nil	8.50
<b>Directors</b>						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil

*\*To the extent quantifiable.*

For further details, please see “Outstanding Litigation and Material Development” beginning on page 192.

## J. RISK FACTORS

Investors should please see “Risk Factors”, beginning on page 23 to have an informed view before making an investment decision.

## K. SUMMARY OF CONTINGENT LIABILITIES AND COMMITMENTS

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

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions entered into by our Company with related parties in the last 3 (three) years and as disclosed in the Restated Financial Statements, is set forth below:

(in ₹ Lakh)

Nature of transaction	Name of the party	Period ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Directors Remuneration/ Director Sitting Fees*	Rajendra C Vishwakarma	11.04	11.48	11.48	9.32
	Mahendra C Vishwakarma	10.48	10.60	10.60	8.62
	Narendra C Vishwakarma	13.98	13.51	11.61	8.72
	Prashant R Vishwakarma	2.70	0.00	0.00	0.00
	Parmanand M Vishwakarma	2.70	0.00	0.00	0.00
	Jayshankar A Chandira	0.00	10.26	2.26	0.00
	Mahesh R Panchal	0.00	0.00	0.00	0.40
	Parag S Edwankar	0.20	0.00	0.00	0.00
	Prasad N Chirravuri	0.20	0.00	0.00	0.00
	Geeta	0.20	0.00	0.00	0.00
	Sudhir J Shah	0.20	0.00	0.00	0.00
	Madhav Deshpande	0.05	0.00	0.00	0.00
Rent	Rajendra C Vishwakarma	4.80	7.40	7.20	7.20
	Manbhavati Devi R Vishwakarma	3.85	5.49	5.29	5.29
	Mahendra C Vishwakarma	3.85	5.49	5.29	5.29
	Malti M Vishwakarma	3.85	5.49	5.29	5.29
	Narendra C Vishwakarma	3.00	6.00	6.00	6.00
	Prashant R Vishwakarma	0.00	0.54	0.00	0.00
	Niklesh R Vishwakarma	0.29	0.54	0.00	0.00
Salary	Jayesh M Vishwakarma	3.62	5.55	5.40	4.36
	Dhara P Shah	1.15	2.22	2.10	1.80
	Vikrant R Vishwakarma	3.62	5.55	5.19	3.99
	Sarita Vishwakarma	1.74	3.00	2.63	2.10
	Prashant R Vishwakarma	3.10	7.40	5.20	3.00
	Karna R Vishwakarma	3.64	5.06	4.23	2.93
	Ravindra L Vishwakarma	3.62	5.55	0.00	0.00
	Parmanand M Vishwakarma	3.10	7.40	5.20	3.00

\*Directors Remuneration is inclusive of commission.

For further details, please see “Note 33 Related Party Disclosures” under “Restated Financial Statements” beginning on page 170.

#### M. FINANCING ARRANGEMENTS

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

#### N. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTERS IN THE LAST 1 (ONE) YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS.

Our Promoters have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus except the bonus shares as issued by the Company in the ratio of 1:5 to all shareholders on October 07, 2023.

#### O. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTERS IN THE 3 (THREE) YEARS PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS.

Our Promoters have not acquired any Equity Shares in the 3 (three) years preceding the date of this Draft Red Herring Prospectus except the bonus shares as issued by the Company in the ratio of 1:5 to all shareholders on October 07, 2023.



**P. AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR OUR PROMOTERS**

The average cost of acquisition of Equity Shares held by the Promoters of our Company as on the date of this Draft Red Herring Prospectus, is set forth in the table below:

Name of Promoter	Number of Equity Shares	Average cost of Acquisition per Equity Share (in ₹)
Rajendra Chitbahal Vishwakarma Jt. Manbhavatidevi Rajendra Vishwakarma	16,80,000	Nil
Mahendra Chitbahal Vishwakarma Jt. Maltidevi Mahendra Vishwakarma	16,80,000	Nil

**Q. SIZE OF THE PRE-FPO PLACEMENT AND ALLOTTEES, UPON COMPLETION OF THE PLACEMENT**

Our Company does not contemplate any pre-FPO placement from the date of this Draft Red Herring Prospectus until grant of listing and trading permission by the Stock Exchanges.

**R. ISSUANCE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST 1 (ONE) YEAR**

Our Company has not issued any Equity Shares for consideration other than cash in the 1 (one) year preceding the date of this Draft Red Herring Prospectus, except the bonus shares as issued by the Company in the ratio of 1:5 to all shareholders on October 07, 2023.

**S. SPLIT/ CONSOLIDATION OF EQUITY SHARES IN THE LAST 1 (ONE) YEAR**

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

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

As on the date of this Draft Red Herring Prospectus, our Company has not been granted any exemption from complying with any provisions of securities laws by SEBI.

## SECTION III – RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the “Financial Information” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 149, 97 and 179 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

### Materiality

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

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

### Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 23 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 179 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Restated Financial Statements” on page 149 of this Draft Red Herring Prospectus.

### Internal Risk Factors

#### Risks relating to our Business

##### *1. Substantial portion of our revenues come from the manufacturing of doors*

We are Pre-Finished Wooden Doors and Modular Furniture provider engaged in the business of manufacturing furniture products like doors, office solutions, modular kitchens and modular wardrobes/ vanity required by various B2B and B2C Customers. The revenue from the sale of doors for the period ending September 30, 2023 and for Financial Years 2023, 2022 and 2021 contributed 3,674.33 Lakh, 4,552.02 Lakh, 2,181.69 Lakh and 1,259.49 Lakh, respectively, representing 83.17 %, 64.81 %, 70.74 %, and 61.59 %, respectively, of our revenues from operations. As part of our business strategy, we continue to focus to strengthen our position in the industry. Our business, growth prospects and financial performance largely depends on our ability to obtain new customers and retain existing clients for the sale of our existing and new products. There can be

no assurance that we will be able to procure new customers or retain our existing customers successfully. In the event we are unable to acquire new customers or retain our existing customers owing to change in demand, our business and financial condition will be materially and adversely affected.

Any change in government policies or quality norms by our customers for pre finished doors, which we may not be able to adhere to, may affect our business growth, operations, and financials.

Substantial part of our revenue is received from our pre finished doors. We are required to adhere to government policies, international standards or customer quality norms for manufacturing pre finished doors. These standards are subject to certain changes as may be required by the various customers from time to time. At times some specific changes or requirements are also required by our clients which we comply as per their requirements. However, in the event of any major changes in these standards due to government policies or international norms and client requirements may lead to a major disruption in our business of manufacturing products. We may have to comply with these changes which may require us to obtain newer and expensive raw materials that may be compatible with the technology used by us presently for our manufacturing process. Further, we may not be able to assure that we will be able to adapt to such change and whether such change will be viable considering various parameters of the particular requirements. Such disruption may adversely affect our business growth, operations and financials. For further information, please see “Key Regulations and Policies” on page 118 of this Draft Red Herring Prospectus.

**2. *We propose to enter into new products viz. metal doors to be supplied to the construction and hotel industry. We may fail to generate new clients for these products and sell in these industries due to competition and other commercial factors***

We have historically focused on the wooden doors as a part of our business strategy, we plan to expand our focus areas to metal door. The metal door industry has been expanding at a significant pace with new players coming into the market. We intend to tap this potential by expanding our existing capacity at our Unit which will enable us to deliver the requirements of these industries which require steel doors. These industries offer various opportunities which can be tapped by our Company to offer products that will be manufactured for these industries. The residential housing industry has been evolving at a fast pace with new product requirements and we intend to offer products required by this industry on a regular basis. For further details, please see “Our Business” beginning on page 97 of this Draft Red Herring Prospectus.

We cannot assure you that our foray into these new product verticals will be successful and any failure could have a material adverse effect on our growth, financial condition and results of operations.

**3. *Our Company has not entered into any long-term agreements with our customers for purchasing our products. We are subject to uncertainties in demand and there is no assurance that our customers will continue to purchase our products. This could impact the business and financial performance of our Company.***

Our customer portfolio is well diversified and we are serving more than 50 customers on a regular basis. We have historically derived, and may continue to derive, a significant portion of our revenue from our top 10 customer. In Fiscals 2023, 2022 and 2021, our top 10 customers represented 74.32%, 88.74% and 81.74%, respectively, of our total revenues from operations in such periods. While our top 5 customers represented 50.99%, 68.38% and 58.97%, of our total revenues from operations in Fiscal 2023, 2022 and Fiscal 2021, respectively. Any reduction in orders from our top 5 or top 10 customers would adversely affect our income. The demand from our major customers, in particular our top 10 customers, determines our revenue levels and results of operations, and our sales are directly affected by their production and inventory levels. Over the years, we have developed strong relationships with our customers through whom we have been able to expand our product offerings and also our geographic reach. Our business depends on the continuity of business with these customer

We have not entered into any long-term agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Consequently, there is no commitment on the part of our customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find other customers for the surplus or excess capacity, in which case we may be forced to incur a loss due to lack of utilization of our production capacity. Our customers are fairly and evenly spread out and none of our customers dominate our sales for Fiscals 2023, 2022 and 2021. Our customers can terminate their relationships with us due to a change in preference or any other reasons, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers are under no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our customers are dependent on factors such as customer satisfaction with the quality of our products, pricing of our products, customer's inventory management, amongst others.

Although, we have a strong emphasis on quality, pricing, timely delivery of our products and personal interaction by the senior management with our customers, any change in the buying pattern of our customers can adversely affect the business and the profitability of our Company.

**4. *Our Showroom/ Registered Office and Godown are located on leased and licensed premises and consequently, we are required to comply with certain requirements given under lease and license agreements.***

Our Showroom/ Registered Office and Godown are situated on premises that we have taken on lease, however, the lease is subject to certain compliances failing which the lessor shall have a right to terminate the lease of manufacturing facilities.

Further lease agreements in respect of our several places of business have expired and we are yet to renew them. We cannot assure you that aforesaid lease and license shall ever be renewed or if renewed, will not be terminated by the lessors/ licensors in future, as the case may be. In the event of denial for renewal by the owner or in the event of termination of any ongoing agreement, we may also be required to vacate the premises at short notice period prescribed in the lease and license agreements, and we may not be able to obtain alternate location, in a short span of time. Further, we may be required to renegotiate terms and conditions of such premises during their tenure. Any adverse impact on the ownership rights of our landlords may impede our effective future operations. Occurrence of any of the above events may have a material adverse effect on our business, results of operations and financial condition.

**5. *Our customers expect us to maintain high quality standards and any failure by us to comply with such quality standards may have an adverse effect on demand from end customers and on our reputation, business, results of operations and financial condition.***

We are committed to ensuring and maintaining the required industry and regulatory compliance standards while providing high quality products to our end customers. We have emphasized on building strong quality management systems in our manufacturing processes as well as the raw materials used for manufacturing our products. Any failure by us to maintain compliance with these quality standards may disrupt our ability to supply products which meet our customers' requirements. This may further lead to loss of reputation and goodwill of our Company, cancellation of the orders, loss of end customers, rejection of the product, which will require us to incur additional cost that may not be borne by the end customer, to replace the rejected product, which could have an adverse effect on our business and financial condition.

Our Company has obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certification for design, manufacture and supply of products. We have also received membership of Indian Green Building Council. The quality control certifications obtained by our Company are subject to periodic audits after which they are renewed or rejected by the authorised entity. For further details, please see "Our Business" on page 97 of this Draft Red Herring Prospectus.

If we fail to comply with applicable quality standards in future or if the relevant accreditation institute declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, our business prospects and financial performance may be affected.

Our relationship with our end customers is therefore dependent to a large extent on our ability to regularly meet their requirements, including consistent product quality. Any significant failure or deterioration of our quality management systems could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. It may further lead to decrease in orders or cessation of business from affected customers which, in turn, may adversely impact our reputation, business, results of operations and financial condition.

We may lose clients and their business if our products are not able to meet the durability and other industry standards.

Our products undergo stringent quality tests to meet our standards before they are delivered to our clients. These tests ensure that our products meet the industry standards as required by our clients for safety, durability and environment. If we fail to meet the standards required to be complied with by our clients, we will lose business from these clients and they may approach our competitors for manufacturing their product requirements. Any inability to meet the testing standards of the client may adversely affect our business, operations and financials. For further details, please see "Our Business" on page 97 of this Draft Red Herring Prospectus.

**6. *Our manufacturing unit are situated in Gujarat at Umbergaon GIDC and our operations may be affected by various factors associated with the region where we operate.***

Our manufacturing units are located at Umbergaon GIDC in Gujarat and we also sell our products to companies having sites in and around Maharashtra and Gujarat. This concentration of our business in western India, subjects us to various risks, including but not limited to the following risks:

- economic slowdown in western India;
- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of western India;
- constraints on our ability to diversify across states; and
- perception by our potential clients, that we are a regional products manufacturing company, which hampers us from competing against other large manufacturing of our sector companies at a national level.

Further, since our manufacturing operations are concentrated in Gujarat any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing Units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the furniture industry in the western states of Maharashtra and Gujarat and end user industry in these and other geographically contiguous states.

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

We continue to seek to increase our market and strengthen our position in the industry. We propose to achieve this by primarily launching metal doors. We will be undertaking this expansion of product portfolio, by setting up new machinery which will increase manufacturing capacity by way of addition of total 22 major and supplementary machines which will increase our manufacturing capacity upto 60,000 doors per annum.

Our Company has already procured plant and machinery and other equipments required for this expansion. The civil construction required for this expansion is in progress and will be completed by Fiscal 2024. The expenditure including civil construction, purchase of plant and machinery and other equipment required for this expansion has been met through funds borrowed by our Company from Union Bank of India and the balance amount will be spending through the Net Proceeds from the Issue. For further details, see, "Objects of the Issue" on page 70 of this Draft Red Herring Prospectus.

These expansion projects, to the extent that they proceed, would involve risks, including risks associated with the timely completion of these projects, and our failure to adequately manage these risks notwithstanding our operational and financial systems, procedures and controls could have a material adverse effect on our business, financial condition, results of operations and prospects. Factors that could affect our ability to complete these projects on time, include completing the project / civil construction, receiving the machineries of desired quality and on the scheduled time, a decline in demand for our products and general economic conditions. We may have to revise our schedule of implementation and completion of these expansion projects on account of a various factors including delay in the Issue process, market conditions, negotiation with suppliers and other external factors. This may entail rescheduling of implementation of these proposed expansion projects.

Our expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce.

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

**8. We have substantial working capital requirements. Our inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts, could adversely affect our operations.**


Our business requires significant amount of working capital. We require significant amount of our working capital for purchasing key raw materials which are procured from domestic suppliers. Though, presently we have sanctioned working capital limits from the existing lenders and one of the Objects of the Issue is to meet our future working capital requirements, we may need additional debt in the future to satisfy our working capital needs.

The working capital requirement for Financial Year 2024 and Financial Year 2025 is estimated at 3,419.51 Lakh and at 5,301.85 Lakhs respectively. An amount of upto ₹ 500.00 Lakhs towards working capital requirements will be funded out of the Issue Proceeds in Financial Year 2024 and ₹ 250.00 Lakhs in Financial Year 2025, whereas the balance, if any, would be arranged from our internal accruals and/or loan funds. For further details, please see “Objects of the Issue” beginning on page 70 of this Draft Red Herring Prospectus.

We strive to maintain strong relationships with banks to increase our financing flexibility. Our credit profile often enables us to obtain financing on favourable terms from financial institutions. However, we cannot assure you that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. As a result, our manufacturing process may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected. For further details on provisions made for bad debts, see the “Restated Financial Statements” beginning on page 149 of this Draft Red Herring Prospectus. All of these factors may result in an increase in the amount of our receivables and short-term borrowings and the continued increase in working capital requirements may have an adverse effect on our financial condition and results of operations.

**9. We may not be able to adequately protect or continue to use our intellectual property. The reputation of our brand “OMFURN” may be diluted if low quality counterfeit products under our brand name are sold in our markets.**

We have not applied for patent for any of our products. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain proprietary knowledge may be leaked, either inadvertently or wilfully. Our failure to register or protect our intellectual property rights may undermine our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary property could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. If any of our confidential or proprietary information or technical knowledge, were to be disclosed or misappropriated, or if a competitor independently developed any such information, our competitive position could be harmed. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations and assert intellectual property claims against us, particularly as we expand our business and product portfolio. For further details, please see “Our Business – Intellectual Property” at page 117.

Although, there have been no instances of usage of “” or similar trade names by third parties, there can be no assurance that we will not encounter such use of our brand name by third parties in the future which may lead to confusion among end customers. Any adverse experience of end customers with those parties using similar trade names, as well as any consequent negative publicity or perceptions perceived to be associated with us, may adversely affect our reputation and brand and business prospects.

We rely on protections available under Indian law, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business growth and prospects, results of operations, cash flows and financial condition

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

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

Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoters in the last 5(five) financial years	Material civil litigations	Aggregate amount involved (₹ in Lakh)*
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	1	Nil	Nil	Nil	8.50
<b>Directors</b>						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil

*\*To the extent quantifiable.*

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

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “Outstanding Litigations and Material Development” beginning on page 192 of this Draft Red Herring Prospectus.

***11. In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions. Further we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant additional line of businesses that we might enter into as part of our expansion strategy.

Further while we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “Government and Statutory Approvals” on page 196 of this Draft Red Herring Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

**12. *Developments in the competitive environment in the furniture industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.***

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, workforce skill and productivity, operating costs, pricing power with our buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Competition from global and domestic furniture manufacturers with expanded production capacities and new market entrants could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to us. For further details, please see “Our Industry” beginning on page 86.

Further, changes in India’s debt restructuring and insolvency laws, including the Insolvency and Bankruptcy Code, 2016, has led to consolidation among our competitors. In addition, our competitors may have lower leverage and/ or access to cheaper sources of funding. Larger competitors may also use their resources, which may be greater than ours, against us in a variety of ways, including by making additional acquisitions, investing more aggressively in product development and capacity and displacing demand for our products. The market is still highly fragmented, and if the trend towards consolidation continues, we could be placed in a disadvantageous competitive position relative to other furniture manufacturers and our business, results of operations, financial condition and prospects could be materially and adversely affected. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete.

**13. *Our Company has not entered into long-term agreements for the supply of raw materials with our suppliers. We are subject to uncertainties in the supply of raw materials and there is no assurance that our suppliers will continue to sell raw materials to us as per our requirements. This could impact the business and financial performance of our Company.***

Wood and Laminates are some of raw materials used by us for manufacturing our products. Wood is a derivative of various trees and we therefore rely on Overseas products for its supply. Our top five (5) suppliers contributed 19.35%, 14.37%, and 21.37 % of the total purchases for Fiscals 2023, 2022 and 2021 respectively. Our practice has been to place orders considering the demand-supply position which is also an industry practice. As a result, our suppliers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in the supply of raw materials. Our suppliers are under no obligation to accept our orders and may also cancel, reduce or delay orders. The orders placed by us are dependent on factors such as demand for our Company’s products, customer’s inventory management, amongst others. Our suppliers in turn are also dependent on factors such as fluctuation in demand, supplier’s inventory management and pricing amongst others.

Although, we lay strong emphasis on quality, timely delivery of raw materials and personal interaction by our senior management with suppliers, any change in the price of raw materials and preference of suppliers can adversely affect the business and the profitability of our Company.

**14. *Our success largely depends upon the services of our senior management and other Key Managerial Personnel (KMP) and our ability to attract and retain them. Demand for senior management personnel in the industry is intense and our inability to attract and retain our KMP may affect the operations of our Company.***

Our Key Managerial Personnel have substantially contributed for our growth. Our success is substantially dependent on the expertise and services of our Directors and Key Managerial Personnel. They provide expertise which enables us to take well informed decisions in relation to our business and prepare our Company for future challenges. Our future performance will depend upon the continued services of these persons. Demand for senior management personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

**15. *We do not own our Registered Office. Any revocation or adverse changes in the terms of the lease and leave and license may have an adverse effect on our business, prospects, results of operations and financial condition.***

We have entered into a leave and license agreement in respect to our Registered Office with our Promoters and promoter Group persons. The leave and licenses arrangements have very limited validity. If the owner of the premises, revokes the



leave and license arrangements or impose terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

For further details, see the section titled “Our Business – Our Properties” on page 114.

***16. Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of products, which could harm our business.***

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of our products. This unavailability of our products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of our products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

***17. Our inability to respond adequately to increased competition may adversely affect our business, financial condition and results of operations.***

Furniture products being a global industry, we face competition from various domestic manufacturers and traders. Competition emerges from organised as well as unorganised players in the furniture product industry. The organised players in the industry compete with each other by providing high quality, consistent and time bound products, customization and innovation. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customization in products which helps us to maintain strong relationship with our customers which in turn provides edge over our competitors. We intend to continue competing vigorously to increase our market reach and sales volumes to manage our growth in an optimal way. Certain of our competitors may have better access to financial resources, technology, research and development capability, market reach and operations in different geographies and diversified product portfolios, which may allow them to better, respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. For further details, please see “Our Business - Competition” on page 112.

***18. Any ban on wood cutting by the Government of India may affect our business.***

Considering environment considerations and international commitments, the Indian government and industry are increasingly considering changes in norms for various products and a ban can be imposed on wood cutting. The Central Pollution Control Board has undertaken comprehensive measures to give effect to India's commitment. Though none of our products have been affected by these changes, there can be no assurances of any such ban affecting any of our products in the industrial packaging vertical. If any of our products are affected by any such ban, our business growth, operations and financials maybe adversely affected. For further details, please see “Our Industry” beginning on page 86.

***19. In the event of any accident at our manufacturing units, our Company may be held liable for damages and penalties which may impact the financials of our Company.***

Any mishandling of our equipment and machineries by our employees/ labour could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. We have taken employee compensation policy, group mediclaim policy and accident insurance policy covering our employees. While we believe that the insurance coverage maintained by us would be reasonably adequate to cover the normal risks associated with such accidents, to the extent that we suffer loss or damage for accidents for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us. Such accidents have the potential to adversely impact our financial position, our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

For further details, see the section titled “Our Business — Insurance” on page 117.

**20. Furniture products manufacturing is a labour intensive industry, hence we may face labour disruptions and other planned and unplanned outages that could interfere or temporarily disrupt our operations.**

Our Company's activities are labour intensive. Strikes and other labour action may have an adverse impact on our operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please see "Our Business –Human Resource" on page 112 of this Draft Red Herring Prospectus.

**21. Our business is dependent on our manufacturing units which are strategically located in Gujarat. Any shutdown of operations of our manufacturing units may have an adverse effect on our business and results of operations.**

Our manufacturing Units use engineering wood technologies to manufacture furniture like doors, modular kitchen, modular wardrobes and office furniture. These manufacturing processes are subject to the normal risks of industrial production, including natural disasters, directives from government agencies and power interruptions. For further details, please see "Our Business – Our Infrastructure" on page 107. We have in no shutdown unit in the past but we cannot assure you that we will not go through closure or shutdown of manufacturing units in the future.

Any extended power supply interruption will result in reduced production at the affected facility. We depend on public/ state power supply utilities for the supply of power to our manufacturing units. Further, we have installed DG Sets and planning to install rooftop solar power as standby arrangement in our manufacturing unit, which is used in case of need/shortage or requirement of additional power. Any shortage or interruption in the supply of electricity may adversely affect our operations and increase our production costs. This could lead to delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationships. Our manufacturing units use complex equipment and machinery, and the breakdown or failure of equipment or machinery may result in us having to make repairs or procure replacements which may require considerable time and expense and as a result, our results of operations and financial condition could be adversely affected.

**22. Any reduction in the demand for our products could lead to underutilization of our manufacturing capacity. We may also face surplus production of a particular product due to various reasons including inaccurate forecasting of customer requirements, which could adversely affect our business, results of operations, financial condition and cash flows.**

We face the risk that our 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 us) by customers could adversely affect our results of operations by reducing our sales volume leading to a reduced utilization of our existing manufacturing capacity.

Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variation in demand for certain types of product also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization.

Therefore, there could be a significant difference in the installed capacity and the production of our products due to the variety of products that we manufacture. Certain products require lesser process time whereas certain products require more process time in the same manufacturing set-out that we have installed.

Therefore, the information provided in this Draft Red Herring Prospectus on installed capacities and the data on actual production may differ significantly.

Further, the installed capacity of manufacturing units is the maximum productive capacity according to the manufacturers' specification of machines / equipment whereas, our licensed capacity is the approved production capacity of our manufacturing units by pollution control authorities. Our utilised capacity signifies the volume of production achieved in

relation to installed capacity and licenced capacity whichever is less. The utilized capacity product wise for our manufacturing units for the FY 2023, 2022 and 2021 was given in the below tables.

**Wooden Door Frame with shutter**

Particulars	2022-23	2021-22	2020-21
% Utilization	32.71%	19.75%	11.98%

**Modular Kitchen**

Particulars	2022-23	2021-22	2020-21
% Utilization	14.00%	26.33%	2.00%

**Modular Wardrobe**

Particulars	2022-23	2021-22	2020-21
% Utilization	48.05%	1.52%	7.33%

**Modular Office Furniture**

Particulars	2022-23	2021-22	2020-21
% Utilization	80.60%	66.33%	55.08%

If we are unable to utilise optimum level of our installed capacity of our manufacturing units in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company. For further details of our production and capacity utilization, see, “Our Business - Capacity and Capacity Utilization” on page 116.

Any under utilization of our manufacturing units could adversely affect our business, results of operations, financial condition and cash flows

**23. Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of our products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.**

We generally use third party transportation providers for the supply of our raw materials and delivery of our products to our customers. Though, our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on the supplies from our suppliers and deliveries to our customers. These transportation facilities may not be adequate to support our existing and future operations. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation. An increase in the freight costs or unavailability of freight for transportation may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair the supply raw materials to our Units and our products to our customers. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**24. In the event we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.**

Our operations are subject to few approvals and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. While we have obtained all approvals required for our operations. For details of approvals relating to our business and operations, please see “Government and Statutory Approvals” on page 196. Further, we may need to apply for more approvals, including the renewal of approvals which may expire from time to time, and approvals in the ordinary course of business. Any inability to renew these approvals may have an adverse effect on our operations. We cannot assure you that such approvals will be issued or granted to us, or at all. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner or at all, our business may be adversely affected.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing

our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer disruption in our operations, any of which could adversely affect our business.

***25. Our business and profitability will suffer if we fail to anticipate and develop new value added products and enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus.***

To compete successfully in the industry, we must be able to identify and respond to changing demands and preferences, as well as operate within substantial production and delivery constraints. Changes in product mix impacts our sales and our gross margins. We cannot assure you that our products will always gain buyer acceptance and we will always be able to achieve competitive products to meet customer expectations. Failure to identify and respond to changes in consumer preferences could, among other things, limit our ability to differentiate our products, adversely affect consumer acceptance of our products, and lower sales and gross margins. Further, products that are developed by our competitors may render our offerings uncompetitive or force us to reduce prices, thereby adversely affecting our margins. Any of these factors could have a material adverse effect on our business and results of operations.

***26. We are exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems.***

We utilize an enterprise resource planning solution, SAP, which assists us with various business functions including sales, distribution, materials management, warehouse management, production planning, quality management, finance and controlling and human resources across all our offices and manufacturing units. Our SAP system is under annual maintenance contract for providing regular IT support and also ensures regular updates resulting in smooth running of the software. Although we carry out periodic security checks, these systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Though there have been no instances of security breaches in the past, inability to prevent such data security breaches in future could lead to the loss of trade secrets and the data related to our products and other proprietary information could be compromised. These systems are also susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

***27. Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.***

Our Company has entered into related party transactions with our Promoters and Promoter Group members in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per AS 18, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For further details, please see "Related Party Disclosures" under section titled "Restated Financial Statements" beginning on page 170.

***28. Our agreements with banks for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

We have entered into agreements for short term and long-term borrowings with banks. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as to obtain either the prior written consent of such financial institutions or require us to give prior written intimation to such lenders, prior to, amongst other circumstances, prepayment of the outstanding principal amounts of the borrowing facilities availed by our Company; any amalgamation, demerger, merger, acquisition, corporate or debt restructuring; any change in the constitution, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company; sell, assign, mortgage, or otherwise dispose off any of the fixed assets charged to the lender; declaration or payment of dividend; pay any commission to our Promoters, Directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by our Company or in connection with any other obligation undertaken for or by our Company for the purpose of project; issue of personal guarantee by our Promoters; revaluation of any of assets of our Company; invest by way of share capital or lend funds or

place deposits with any other entity; and carry on any general trading activity other than products of our Company. Our ability to execute business plans, including our ability to obtain additional financing on terms and conditions acceptable to us, could be negatively impacted as a result of these restrictions and limitations. In the event of breach of a restrictive covenant, our lender could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew borrowings as needed for the smooth conduct of our operations and pursue our growth initiatives. Although we have received consent from our lender for the Issue, we cannot assure you that we will be able to receive such consents in future for other growth plans. For further details, see ‘Statement of Financial Indebtedness’ beginning on page 190.

***29. Our Promoters have provided personal guarantees for our loans and any failure or default by us to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may adversely affect our Promoters’ ability to manage our affairs.***

Our Company has availed loans and facilities in the ordinary course of its business for inter alia meeting working capital, capital expenditure and other business requirements. Our Promoters have given personal guarantees in relation to certain of our loans. For further details, please see “Statement of Financial Indebtedness” and “Our Promoters and Promoter Group” on pages 190 and 144 respectively. Our Promoters and Directors may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our Promoters may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Furthermore, in the event that our Promoters withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

***30. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our growth and operations.***

We may require additional funds in connection with future business expansion and development initiatives. In addition to the net proceeds of this Issue and our internal accruals, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our future growth and operations.

***31. Our Promoters and Promoter Group will continue to retain significant control in our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.***

After the completion of this Issue, our Promoters and Promoter Group will continue to hold significant shareholding in our Company. As a result, our Promoters and Promoter Group will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoters and Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline. For further details, please see “Capital Structure” beginning on page 58.

**32. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangement***

Our Company has not paid dividend in the past. The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends. For further details of payment of dividend by our Company during last three Fiscals, please see “Dividend Policy” beginning on page 148.

**33. *Our insurance cover may not adequately protect us against all material hazards and accidents.***

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire and other perils. Further, we have also maintain a fire and burglary policy for our raw material stored at our manufacturing units and warehouses. We also maintain marine cargo insurance policy to insure consignments shipped by sea and to cover inland movement of all cargos by road or rail. We have also maintained insurance policies for our vehicles. We have also obtained group medical claim policy and accident insurance policy and employees compensation policy for our employees. As on March 31, 2023, we maintained an insurance coverage of ₹ 3,466.17 Lakh which is 111.80% of our total net tangible fixed assets and inventories. Further, our insurance policies may not be sufficient to cover the economic loss that we may have to suffer due to an unfortunate incident. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected.

For further details, see the section titled “Our Business — Insurance” on page 117.

**34. *The Objects of the Issue for which funds are being raised have not been appraised by any bank. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management’s estimates and have not been appraised by any bank. Our Company may have to revise such estimates from time to time on account of various factors such as our financial and market condition, business and strategy, which may not be within the control of our management. Our estimates may exceed the value and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our management. However, the Board after consideration and approval by the Audit Committee will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchange on a quarterly basis, deviations, if any, in the Use of Proceeds of the Issue as per Objects of the Issue stated in this Draft Red Herring Prospectus or by way of an explanatory statement to the notice for a general meeting.

**35. *Any variation in the utilisation of our Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.***

We intend to use the Net Proceeds for various purposes, including but not limited to, (i) Acquisition of Plant and machinery and other equipment’s; (ii) working capital requirement; and (iii) general corporate purposes. Further, the Net Proceeds are intended to be utilized by our Company only and none of our Promoter, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. For further details, see the section titled “Objects of the Issue” on page 70.

**36. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favorable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt - equity ratio to increase or require us to create charges or liens on our assets in favor of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

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

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under "Basis for the Issue Price" on page 78 and may not 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. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by us or our competitors, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**38. *Certain data mentioned in this Draft Red Herring Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**39. QIBs and Non-Institutional Bidders 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 Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within three (3) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within three Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations 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 Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing

**External Risk Factors**

**40. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.**

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

**41. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.**

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.



***42. If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

***43. The continuing effect of the COVID-19 pandemic on our business, results of operations and financial condition is highly uncertain and cannot be predicted.***

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession.

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

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Statutory Approvals" on page 196 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary

or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see “Outstanding Litigation and Material Development” on page 192. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India’s Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“Finance Act”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“DDT”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

***46. Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in NIFTY, NSE’s benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

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

***48. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to

convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

***49. Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

## SECTION IV – INTRODUCTION

### THE ISSUE

The following table summarises the Issue details:

Issue of Equity Shares <sup>(1)</sup>	Up to 36,00,000* Equity Shares aggregating up to ₹ [●] Lakh
of which	
Issue Reserved for the Market Makers	[●] Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakh.
Net Issue to the Public	[●] Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakh.
<i>Out of which</i>	
A) QIB Portion <sup>(2)(3)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakh
of which	
(i) Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] Lakh
(ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] Lakh
of which	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion (excluding the Anchor Investor Portion))	Upto [●] Equity Shares aggregating up to ₹ [●] Lakh
b. Balance for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] Lakh
B) Non-Institutional Portion <sup>(3)(5)</sup>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakh
C) Retail Portion <sup>(3)(4)</sup>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakh
Pre and post Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as at the date of this Draft Red Herring Prospectus)	81,74,400 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net Proceeds	For information about the use of the Net Proceeds, please see “Objects of the Issue” on page 70.

\* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue Price

- (1) The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on August 22, 2023 and by our Shareholders pursuant to a special resolution passed at the Annual General Meeting held on September 26, 2023.
- (2) 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 Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders 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 Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.
- (3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. For further details, please see “Issue Procedure” on page 225.
- (4) Allocation to Bidders in all categories except the Anchor Investor if any, Non Institutional Bidder and the Retail Individual Bidder, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity

Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportional basis. Allocation to Anchor Investors shall be done on a discretionary basis in accordance with the SEBI ICDR Regulations.

- (5) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to 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 QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), 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 allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled "Issue Procedure" beginning on page 225 of this Draft Red Herring Prospectus.

## **SUMMARY OF FINANCIAL STATEMENTS**

The summary financial information presented below are derived from our Restated Financial Statements for the Periods ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and should be read in conjunction with “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 149 and 179, respectively.

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**Omfurn India Limited**

**Summary Restated Statement of Assets and Liabilities**

**Annexure 1**

**(All amounts in Lakh, unless otherwise stated)**

Particulars		Note No	As at Sep 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>Equity and Liabilities</b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	(a) Share Capital	<b>3</b>	681.20	681.20	681.20	681.20
	(b) Reserves and Surplus	<b>4</b>	2,181.75	1,892.59	1,477.72	1,417.91
			2,862.95	2,573.79	2,158.92	2,099.11
<b>2</b>	<b>Non-Current Liabilities</b>					
	(a) Long-Term Borrowings	<b>5</b>	142.95	405.90	548.85	570.48
	(b) Other Long- Term Liabilities	<b>6</b>	40.60	40.60	-	28.66
	(c) Long-Term Provisions	<b>7</b>	-	27.68	6.99	0.23
	(d) Deferred Tax Liabilities(Net)	<b>8</b>	37.42	31.06	58.00	67.24
			220.97	505.23	613.84	666.81
<b>3</b>	<b>Current Liabilities</b>					
	(a) Short-Term Borrowings	<b>9</b>	1,747.46	732.20	1,046.31	1,015.51
	Trade Payables	<b>10</b>				
	(i) Total Outstanding due to MSME and		11.36	2.98	31.71	2.99
	(ii) Total outstanding due to other than MSME		1,131.27	1,195.74	573.39	710.12
	(c ) Other Current Liabilities	<b>11</b>	459.67	490.63	273.78	120.01
	(d) Short-term Provisions	<b>12</b>	392.30	216.01	68.36	50.79
			3,742.05	2,637.57	1,993.55	1,899.43
	<b>TOTAL</b>		<b>6,825.97</b>	<b>5,716.59</b>	<b>4,766.30</b>	<b>4,665.35</b>
<b>B</b>	<b>Assets</b>					
<b>1.</b>	<b>Non-Current Assets</b>					
	(a ) <u>Property, Plant and Equipment and Intangible Assets</u>	<b>13</b>				
	Property, Plant and Equipment		1,054.33	1,080.88	1,012.79	1,086.67
	Intangible Assets		23.82	15.49	-	-
	(b) Non-current investment	<b>14</b>	141.56	110.43	20.03	55.08
	(c) Long- term Loans & Advances	<b>15</b>	168.08	101.66	65.18	81.02
	(d) Other Non- Current Asset	<b>16</b>	136.36	124.38	39.26	38.18
			1,524.15	1,432.84	1,137.26	1260.94
<b>2</b>	<b>Current Assets</b>					
	(a) Inventories	<b>17</b>	2,045.89	1,883.30	1,610.15	1639.90
	(b) Trade Receivables	<b>18</b>	2,505.27	1,915.16	1,313.18	926.71
	(c) Cash & Cash Equivalents	<b>19</b>	443.08	304.48	583.30	644.40
	(d) Short-Term Loans & Advances	<b>20</b>	307.58	180.80	122.41	193.40
			5,301.82	4,283.75	3,629.04	3404.41
	<b>TOTAL</b>		<b>6,825.97</b>	<b>5,716.59</b>	<b>4,766.30</b>	<b>4665.35</b>

The accompanying notes are an integral part of the Restated Financial Statements.

The above Annexure should be read with the basis of preparation and significant accounting policies, Notes to the Restated Consolidated Financial Information appearing in Annexure 5.

**For C B Mehta & Associates**  
Chartered Accountants

**For Omfurn India Limited**

Sd/-  
C B Mehta  
Proprietor  
M. No.: 116543  
F.R.N.: 124978W  
Place: Mumbai  
Date: December 28, 2023  
UDIN: 23116543BGVDJR8514

Sd/-  
Rajendra C Vishwakarma  
Chairman and MD  
(DIN - 00091492)

Sd/-  
Mahendra C Vishwakarma  
Executive Director & CFO  
(DIN - 00096586)

Sd/-  
Dhara Pratik Shah  
Company Secretary

**Omfurn India Limited**

**Summary Restated Statement of Profit and Loss**

Annexure 2

(All amounts in Lakh, unless otherwise stated)

Particulars	Note No	Six months ended	Year ended			
			September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Continuing Operations</b>						
1	Revenue from Operations	21	4,417.99	7,023.40	3,084.09	2,044.90
2	Other Income	22	56.79	84.70	145.69	139.64
	<b>Total Income</b>		<b>4,474.78</b>	<b>7,108.10</b>	<b>3,229.79</b>	<b>2,184.54</b>
3	<b>Expenses</b>					
	(a) Cost of Materials consumed	23	3,425.43	4,805.93	2,173.18	1,615.34
	(b) Changes in Inventories	24	(206.18)	151.52	(73.15)	(227.74)
	(c) Employee Benefit Expense	25	370.04	576.14	442.84	339.04
	(d) Finance Costs	26	83.49	206.19	137.11	172.55
	(e) Depreciation and Amortisation Expense	13	63.93	111.52	114.22	137.16
	(f) Other Expenses	27	332.83	744.53	370.38	254.86
	<b>Total Expenses</b>		<b>4,069.55</b>	<b>6,595.83</b>	<b>3,164.59</b>	<b>2,291.21</b>
4	<b>Profit / (Loss) Before Tax</b>		<b>405.23</b>	<b>512.27</b>	<b>65.20</b>	<b>(106.66)</b>
5	<b>Tax Expenses:</b>					
	(a) Current Tax Expense for the year		109.71	124.34	3.37	-
	(b) Deferred Tax		6.36	(26.94)	(9.24)	(7.25)
	(c) MAT Credit Entitlement		-	-	11.26	-
	<b>Total Tax Expense</b>		<b>116.07</b>	<b>97.40</b>	<b>5.39</b>	<b>(7.25)</b>
6	<b>Profit/ (Loss) for the period</b>		<b>289.16</b>	<b>414.87</b>	<b>59.81</b>	<b>(99.41)</b>
7	<b>Earnings per Equity Share</b>					
	<b>Basic and Diluted</b>	28	<b>4.24</b>	<b>6.09</b>	<b>0.88</b>	<b>(1.46)</b>

The accompanying notes are an integral part of the Restated Financial Statements.

The above Annexure should be read with the basis of preparation and significant accounting policies, Notes to the Restated Consolidated Financial Information appearing in Annexure 5.

**For C B Mehta & Associates**  
Chartered Accountants

**For Omfurn India Limited**

Sd/-  
C B Mehta  
Proprietor  
M. No.: 116543  
F.R.N.: 124978W  
Place: Mumbai  
Date: December 28, 2023  
UDIN: 23116543BGVDJR8514

Sd/-  
Rajendra C Vishwakarma  
Chairman and MD  
(DIN - 00091492)

Sd/-  
Mahendra C Vishwakarma  
Executive Director & CFO  
(DIN - 00096586)

Sd/-  
Dhara Pratik Shah  
Company Secretary



**Omfurn India Limited**  
**Summary Restated Cash Flow Statement**

Annexure 3

(All amounts in Lakh, unless otherwise stated)

Particulars	As at 30th Sept 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>(A) Cash flow from operating activities</b>				
Net Profit / (Loss) before tax	405.23	512.27	65.20	(106.66)
<i>Adjustments for:</i>				
Depreciation and amortisation	63.93	111.52	114.22	137.16
Interest on Bank Deposits	(10.12)	(17.33)	(17.36)	(13.73)
Gain on sale of Non-current Investments	-	-	(1.54)	-
Loss on sale of Fixed Assets				
Interest & Finance Charges	83.49	206.19	137.11	172.55
Sundry balances written off	-	143.87	(0.89)	5.01
Net gain/ (loss) on foreign currency transactions	-	-	-	1.17
<b>Operating profit before working capital changes</b>	<b>542.53</b>	<b>956.52</b>	<b>296.74</b>	<b>195.49</b>
<u>Movements in Working Capital</u>				
(Increase)/ Decreases in Trade receivables	(590.11)	(745.84)	(385.58)	299.94
(Increase)/ Decreases in Inventories	(162.59)	(273.15)	29.76	(269.13)
(Increase)/ Decreases in Short-term loans and advances	(126.77)	(58.40)	70.99	5.21
(Increase)/ Decreases in Long Term Loans & Advances	(66.42)	(36.47)	4.57	59.14
(Increase)/ Decreases in Other Non-Current Assets	(11.98)	(85.13)	(1.08)	(38.18)
Increase/ (Decrease) in Trade payables	(56.10)	593.63	(108.01)	(133.83)
Increase/ (Decrease) in Short Term Borrowings	1,015.26	(314.12)	30.80	330.98
Increase/ (Decrease) in Short Term Provisions	176.29	147.65	17.56	26.06
Increase/ (Decrease) in Other current liabilities	(30.97)	216.86	153.76	(187.93)
<b>Cash Generated from Operations</b>	<b>689.15</b>	<b>401.55</b>	<b>109.50</b>	<b>287.75</b>
Less: Tax paid	109.71	124.34	3.37	-
<b>Net Cash generated from Operating Activities</b>	<b>579.44</b>	<b>277.21</b>	<b>106.14</b>	<b>287.75</b>
<b>(B) Cash flow from investing activities</b>				
Purchase of Fixed assets/ Capital work in progress	(45.71)	(203.77)	(46.65)	(3.05)
Sale of Fixed assets/ Subsidy received on Capital Assets	-	2.20	1.10	39.18
Gain on sale of Non-current Investments	-	-	1.54	-
Interest on Bank Deposits	10.12	17.33	17.36	13.73
Investment in Non Current Investments	(31.13)	(90.40)	35.04	110.96
<b>Net Cash Generated from Investing Activities</b>	<b>(66.72)</b>	<b>(274.63)</b>	<b>8.39</b>	<b>160.81</b>
<b>(C) Cash flow from financing activities</b>				
Interest & Finance Charges	(83.49)	(206.19)	(137.11)	(172.55)
Long Term Borrowings	(262.95)	(142.95)	(21.63)	128.75
Long Term Provisions	(27.68)	20.68	6.76	0.23
Other Long-Term Liabilities	-	40.60	(28.86)	14.43
<b>Net cash generated from Financing Activities</b>	<b>(374.11)</b>	<b>(287.86)</b>	<b>(180.84)</b>	<b>(29.14)</b>
Net Increase/(Decrease) in cash & cash equivalent	138.60	(278.82)	(61.10)	419.43
Add: Cash & Cash equivalent at the beginning of the period	304.48	583.30	644.40	224.97
<b>Cash &amp; Cash equivalent at the end of the period</b>	<b>443.08</b>	<b>304.48</b>	<b>583.30</b>	<b>644.40</b>
<u>Components of cash &amp; cash equivalent</u>				
Cash in hand	0.44	0.17	0.16	0.22
Balances with banks	442.64	304.32	583.14	644.18
<b>Cash &amp; Cash equivalent considered for cash flow statement</b>	<b>443.08</b>	<b>304.48</b>	<b>583.30</b>	<b>644.40</b>

For C B Mehta & Associates  
Chartered Accountants

For Omfurn India Limited

Sd/-  
C B Mehta  
Proprietor  
M. No.: 116543  
F.R.N.: 124978W  
Place: Mumbai  
Date: December 28, 2023  
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Sd/-  
Rajendra C Vishwakarma  
Chairman and MD  
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Sd/-  
Mahendra C Vishwakarma  
Executive Director & CFO  
(DIN - 00096586)

Sd/-  
Dhara Pratik Shah  
Company Secretary

## **SECTION V - GENERAL INFORMATION**

Our Company was originally incorporated as “OM Vishwakarma Furniture Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated November 13, 1997 issued by the Registrar of Companies Mumbai, Maharashtra. Subsequently the name of our Company was changed to Omfurn India Private Limited vide shareholder’s approval on April 03, 2013 and fresh certificate of Incorporation dated April 21, 2013. Subsequently, the name of our Company was changed to Omfurn India Limited pursuant to conversion into public company vide Shareholders approval on May 30, 2017 and fresh certificate of Incorporation dated June 15, 2017 was issued to our Company by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is L20200MH1997PLC111887. The shares of our Company got listed with Emerge Platform of National Stock Exchange of India Limited through Initial Public Offer on October 13, 2017.

For further details please refer to chapter titled “Our History and Corporate Structure” on page 140 of this Draft Red Herring Prospectus.

### **REGISTERED OFFICE OF OUR COMPANY**

The address and certain other details of our Registered Office are as follows:

Omfurn India Limited  
109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai 400101, Maharashtra.  
Tel: +91 22 4210 8900  
Fax: +91 22 4210 8999  
Email: [omfurn@omfurnindia.com](mailto:omfurn@omfurnindia.com)  
Website: [www.omfurnindia.com](http://www.omfurnindia.com)

### **Company registration number and corporate identity number**

The registration number and corporate identity number of our Company are as follow:

Company registration number: 111887  
Corporate identity number: L20200MH1997PLC111887

### **FACTORY ADDRESS OF OUR COMPANY**

Omfurn India Limited  
Plot No. 6 to 8, 52 Hector,  
Expansion Area, New GIDC,  
Umbergaon-396171,  
District Valsad, Gujarat.  
Tel:0260 2562076

### **REGISTRAR OF COMPANIES**

Our Company is registered with the RoC situated at the following address:

Registrar of Companies, Mumbai, Maharashtra  
100, Everest, Marine Drive, Mumbai - 400 002, Maharashtra, India  
Tel No: +91 22 – 2281 2627 / 2202 0295 / 2284 6954  
Fax No: +91 22 – 2281 1977  
Email id: [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)  
Website: [www.mca.gov.in](http://www.mca.gov.in)

### **DESIGNATED STOCK EXCHANGE**

National Stock Exchange of India Limited (NSE)  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra- Kurla Complex, Bandra (East)  
Mumbai – 400051

## BOARD OF DIRECTORS OF OUR COMPANY

The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Rajendra Chitbahal Vishwakarma	Managing Director	00091492	B/1603, Videocon Tower, Thakur Complex, Kandivali (East) Mumbai 400101.
Mahendra Chitbahal Vishwakarma	Whole-time Director and Chief Financial Officer	00096586	A/1503, Videocon Towers, Thakur Complex, Kandivali (East) Mumbai 400101.
Narendra Chitbahal Vishwakarma	Executive Director and Chief Executive Officer	00103447	1106, Bldg 5, Veena Saaz (Veena Sur), Near Gokul Hospital, Thakur Complex, Kandivali (East), Mumbai 400101
Prashant Rajendra Vishwakarma	Whole-time Director	10228817	B/1603, Videocon Tower, Thakur Complex, Kandivali (East) Mumbai 400101.
Parmanand Mahendra Vishwakarma	Whole-time Director	10227573	A/1503, Videocon Towers, Thakur Complex, Kandivali (East) Mumbai 400101.
Geeta	Non-Executive and Independent Director	08769814	B/305, Kitty Villa Building, Station Road, Near Rajesh Hotel, Bhayander (West), Thane-401101
Sudhir Jayantilal Shah	Non-Executive and Independent Director	00302584	233/6090, Pant Nagar, Ghatkopar (East), Mumbai-400075.
Parag Shrikrishna Edwankar	Non-Executive and Independent Director	02834656	401, Galaxy Apts, T.H. Kataria Marg, Mahim Mumbai -400016.
Prasad Chirravuri	Non-Executive and Independent Director	08604812	C/706, Ruby Rajhans Dreams, Stella, Behind Bishop Gate, Barampur, Vasai West, Mumbai-401202
Madhav Deshpande	Non-Executive and Independent Director	01537794	Flat No. 1303, Maharaja Retreat CHS, Kanyapada, Film City Road, Goregaon (East), Mumbai-400063

For further details of our Board of Directors, please see “Our Management – Board of Directors” on page 125.

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Dhara Pratik Shah is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Dhara Pratik Shah  
Omfurn India Limited  
109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai - 400101, Maharashtra.  
Tel: +91 22 4210 8900  
Fax: +91 22 4210 8999  
Email: [धारशाह@omfurnindia.com](mailto:धारशाह@omfurnindia.com)

### Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

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.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the

Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

## CHIEF FINANCIAL OFFICER

Mahendra Chitbahal Vishwakarma  
Omfurn India Limited  
109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai -400101, Maharashtra.  
Tel: +91 22 4210 8900  
Fax: +91 22 4210 8999  
Email: mahendravr@omfurnindia.com

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

<b>Book Running Lead Manager of the Issue</b>	<b>Legal Advisor to the Issue</b>
<b>Gretex Corporate Services Limited</b> A- 401, Floor 4 <sup>th</sup> , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (W), Delisle Road, Mumbai - 400013, Maharashtra, India <b>Tel:</b> +91 96532 49863 <b>Email-id:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> <b>Investor Grievance Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Mr. Arvind Harlalka <b>SEBI Registration No:</b> INM000012177	<b>ASHA AGARWAL &amp; ASSOCIATES</b> <b>Address:</b> 118, Shila Vihar, Gokulpura, Kalwar Road, Jhotwara, Jaipur-302012 <b>Tel:</b> +91 96532 49863 <b>Email:</b> <a href="mailto:ashaagarwalassociates@gmail.com">ashaagarwalassociates@gmail.com</a> <b>Contact Person:</b> Ms. Nisha Agarwal <b>License:</b> 75654/R/38/2016 <b>Telephone:</b> + 91 9950933137
<b>Statutory and Peer Review Auditor</b>	<b>Registrar to the Issue</b>
<b>C.B. MEHTA &amp; ASSOCIATES</b> Chartered Accountants <b>Address:</b> 2, Moti Villa, Azad Road, Near Millan Subway, Ville Parle (East), Mumbai 400057 <b>Phone:</b> +91 98209 27328 <b>Email:</b> <a href="mailto:chirag@cbma.co.in">chirag@cbma.co.in</a> <b>Firm Registration No.:</b> 124978W <b>Membership No.:</b> 116543 <b>Contact Person:</b> Mr. Chirag Mehta	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Maharashtra, India <b>Telephone:</b> +91 22 6263 8200 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor grievance email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Mr. Babu Rapheal <b>SEBI Registration No.:</b> INR000001385
<b>Bankers to the Company</b>	<b>Advisors to the Company</b>
<b>UNION BANK OF INDIA</b> <b>Address:</b> Kandivali East Branch, Patel Apartment, Chittabhai Patel Road, Near BEST Bus Depot, Kandivali East, Mumbai 400101 <b>Tel:</b> +91-22-28870798 <b>Fax:</b> +91-22-28852941 <b>Email:</b> <a href="mailto:ubin0549151@unionbankofindia.bank">ubin0549151@unionbankofindia.bank</a>	<b>NAVYARTH CAPITAL ADVISORS PVT. LTD.</b> <b>Address:</b> B-102, Gayatri Satsang Building, Vishnu Shivam CHS, Thakur Village, Kandivali (East), Mumbai, Maharashtra, India, 400101 <b>Telephone:</b> +91 96193 41378 <b>Email:</b> <a href="mailto:mohit@navyarth.com">mohit@navyarth.com</a> <b>Contact Person:</b> Mr. Mohit Baser
<b>Bankers to the Issue/ Refund Banker/ Sponsor Bank*</b>	<b>Syndicate Member*</b>
[•]	[•]

\*The Banker to the Issue (Sponsor Bank) and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

## Designated Intermediaries

### Self-Certified Syndicate Banks

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches

### **Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

### **Syndicate SCSB Branches**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

### **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 at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> ), respectively, as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

### **Collecting Depository Participants**

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

### **Brokers to the Issue**

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

### **Experts Opinion**

Except for the reports in the section "Statement of Special Tax Benefits", "Financial Information", "Statement of Financial Indebtedness" on page 190, 149 and 190 respectively of this Draft Red Herring Prospectus from the Peer Review Auditor, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditors for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as "Expert", defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933.

### **Inter-se Allocation of Responsibilities**

Since, Gretex Corporate Services Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

## **Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakh. Since the Issue size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

## **Appraising Entity**

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

## **Credit Rating**

As this is an Issue of Equity Shares, there is no credit rating for the Issue.

## **IPO Grading**

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

## **Trustees**

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

## **Debenture Trustees**

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

## **Filing of Issue Document with the Designated Stock Exchange/SEBI/ROC**

The Draft Red Herring Prospectus is being filed with Emerge Platform of National Stock Exchange of India Limited, Exchange Plaza, C-1, Block- G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>

## **Book Building Process**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Mumbai Edition of Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are: -

1. Our Company;
2. The Book Running Lead Manager in this case being Gretex Corporate Services Limited,

3. The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
4. The Registrar to the Issue and;
5. The Designated Intermediaries and Sponsor bank

The SEBI (ICDR) Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI (ICDR) Regulations.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the 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. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI (ICDR) Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 225 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI (ICDR) Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 225 of this Draft Red Herring Prospectus.

**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; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹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.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
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., ₹22.00 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹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.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 225 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/ Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date	[●] <sup>1</sup>
Bid/Issue Closing Date	[●] <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

<sup>1</sup> Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations

<sup>2</sup> Our Company in consultation with the Book Running Lead Manager, 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 above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company,



revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidder on Bid/Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. 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. The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to 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 approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with Registrar of Companies.

### **Underwriting**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter [●] in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter(s)	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
[•]	[•]	[•]	[•]

\*Includes [•] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, [•] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

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

There have been no changes in our Company's auditors in the last three (3) years.

#### Details of the Market Making arrangement for this Issue

Our Company has entered into a Market Making Agreement dated [•] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

<b>Name</b>	[•]
<b>Correspondence Address:</b>	[•]
<b>Tel No.:</b>	[•]
<b>E-mail:</b>	[•]
<b>Website:</b>	[•]
<b>Contact Person:</b>	[•]
<b>SEBI Registration No.:</b>	[•]
<b>Market Maker Registration No.</b>	[•]

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated [•] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

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

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

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the National Stock Exchange of India Limited (Emerge platform of NSE) and SEBI from time to time.
- The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the Emerge platform of NSE (in this case currently the minimum trading lot size is [•] equity shares; however the same may be changed by the Emerge platform of NSE from time to time).

- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 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, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-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 Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final
- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months’ notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.
- Risk containment measures and monitoring for Market Makers: NSE Emerge Exchange will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- Punitive Action in case of default by Market Makers: The Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case 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: The SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

**The following spread will be applicable on the SME Exchange / Platform.**

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

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

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

## SECTION VI - CAPITAL STRUCTURE

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

(In ₹ Lakh except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorized Share Capital<sup>#</sup></b>		
	1,25,00,000 Equity Shares of face value of ₹ 10 each	1,250.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	81,74,400 Equity Shares of face value of ₹ 10 each	817.44	-
<b>C.</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus*</b>		
	Issue of up to 36,00,000 Equity Shares aggregating up to ₹ [●] Lakh	360.00	[●]
	Which comprises of:		
<b>D.</b>	<b>Reservation for Market Maker Portion</b>		
	Upto [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares Share reserved as Market Maker Portion	[●]	[●]
<b>E.</b>	<b>NET ISSUE TO PUBLIC</b>		
	Net Issue to Public of Upto [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares Share to the Public	[●]	[●]
<b>F.</b>	<b>Issued, Subscribed and Paid-Up Capital after the Issue*</b>		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue		41.27
	After the Issue		[●]

<sup>#</sup>For details in relation to the change in the authorised share capital of our Company please see “History and Corporate Structure - Amendments to the Memorandum of Association” on page 140.

The Issue has been authorised by a resolution of our Board dated August 22, 2023 and by a special resolution of our Shareholders, dated September 26, 2023 in the Annual General Meeting.

### Classes of Shares: -

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

### Notes to the Capital Structure

#### 1. Equity Share Capital

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

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
On Incorporation	20	10	10	Subscription to MOA <sup>(1)</sup>	Cash	20	200
July 13, 1998	42,480	10	10	Further Allotment <sup>(2)</sup>	Cash	42,500	4,25,000
July 31, 1998	7,500	10	10	Further Allotment <sup>(3)</sup>	Cash	50,000	5,00,000
March 26, 2007	4,50,000	10	Nil	Bonus Issue <sup>(4)</sup>	Consideration other than cash	5,00,000	50,00,000
February 22, 2017	45,00,000	10	Nil	Bonus Issue <sup>(5)</sup>	Consideration other than cash	50,00,000	5,00,00,000

October 10, 2017	18,12,000	10	Nil	Initial Offer <sup>(6)</sup>	Public	Cash	68,12,000	6,81,20,000
October 07, 2023	13,62,400	10	Nil	Bonus Issue <sup>(7)</sup>		Consideration other than cash	81,74,400	8,17,44,000

Notes:

(1) Initial Subscribers to Memorandum of Association hold 20 Equity Shares each of face value of ₹ 10/- fully paid up as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Rajendra Chitbahal Vishwakarma	10
2.	Mahendra Chitbahal Vishwakarma	10
	<b>Total</b>	<b>20</b>

(2) The Company allotted 42,480 Equity Shares of face value of ₹ 10/- each at par as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Rajendra Chitbahal Vishwakarma	21,240
2.	Mahendra Chitbahal Vishwakarma	21,240
	<b>Total</b>	<b>42,480</b>

(3) The Company allotted 7,500 Equity Shares of face value of ₹ 10/- each at par as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Maltidevi Mahendra Vishwakarma	2,500
2.	Manbhavatidevi Rajendra Vishwakarma	2,500
3.	Ravindra Chitbahal Vishwakarma	2,500
	<b>Total</b>	<b>7,500</b>

(4) The Company allotted 4,50,000 Equity Shares as Bonus Shares of face value of ₹ 10/- each in the ratio of 9 (nine) Equity Shares for every 1 (One) Equity Share as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Rajendra Chitbahal Vishwakarma	1,57,500
2.	Mahendra Chitbahal Vishwakarma	1,57,500
3.	Maltidevi Mahendra Vishwakarma	22,500
4.	Manbhavatidevi Rajendra Vishwakarma	22,500
5.	Ravindra Chitbahal Vishwakarma	22,500
6.	Narendra Chitbahal Vishwakarma	45,000
7.	Nirmala Ravindra Vishwakarma	22,500
	<b>Total</b>	<b>4,50,000</b>

(5) The Company allotted 45,00,000 Equity Shares as Bonus Shares of face value of ₹ 10/- each in the ratio of 9(Nine) Equity Shares for every 1(One) Equity Share as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Rajendra Chitbahal Vishwakarma	12,60,000
2.	Mahendra Chitbahal Vishwakarma	12,60,000
3.	Maltidevi Mahendra Vishwakarma	2,25,000
4.	Manbhavatidevi Rajendra Vishwakarma	2,25,000
5.	Ravindra Chitbahal Vishwakarma	5,40,000
6.	Narendra Chitbahal Vishwakarma	7,65,000

7.	Nirmala Ravindra Vishwakarma	2,25,000
	<b>Total</b>	<b>45,00,000</b>

(6) The Company allotted 18,12,000 Equity Shares of face value of ₹ 10/- each in the Initial Public Offer to the successful allottees.

(7) The Company allotted 13,62,400 Equity Shares as Bonus Shares of face value of ₹ 10/- each in the ratio of 1 (One) Equity Shares for every 5 (Five) Equity Share to the eligible shareholders on the record date.

2. Preference Share Capital: As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

3. Details of Allotment made in the last two years preceding the date of Draft Red Herring Prospectus

Except for bonus issue made on October 07, 2023, the Company has not issued any Equity Share in the last two years preceding the date of the Draft Red Herring Prospectus.

4. Issue of Equity Shares for consideration other than cash or out of revaluation reserves

Except as set out below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash.

Date of allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Benefits accrued to our Company
March 26, 2007	Bonus Issue <sup>(1)</sup>	4,50,000	10	Nil	N.A.
February 22, 2017	Bonus Issue <sup>(2)</sup>	45,00,000	10	Nil	N.A.
October 07, 2023	Bonus Issue <sup>(3)</sup>	13,62,400	10	Nil	N.A.

Notes:

(1) The Company allotted 4,50,000 Equity Shares as Bonus Shares of face value of ₹ 10/- each in the ratio of 9 (nine) Equity Shares for every 1 (One) Equity Share as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Rajendra Chitbahal Vishwakarma	1,57,500
2.	Mahendra Chitbahal Vishwakarma	1,57,500
3.	Maltidevi Mahendra Vishwakarma	22,500
4.	Manbhavatidevi Rajendra Vishwakarma	22,500
5.	Ravindra Chitbahal Vishwakarma	22,500
6.	Narendra Chitbahal Vishwakarma	45,000
7.	Nirmala Ravindra Vishwakarma	22,500
	<b>Total</b>	<b>4,50,000</b>

(2) The Company allotted 45,00,000 Equity Shares as Bonus Shares of face value of ₹ 10/- each in the ratio of 9(Nine) Equity Shares for every 1(One) Equity Share as per the details given below:

Sr. No	Name of Person	No. of Equity Shares Allotted
1.	Rajendra Chitbahal Vishwakarma	12,60,000
2.	Mahendra Chitbahal Vishwakarma	12,60,000
3.	Maltidevi Mahendra Vishwakarma	2,25,000
4.	Manbhavatidevi Rajendra Vishwakarma	2,25,000
5.	Ravindra Chitbahal Vishwakarma	5,40,000
6.	Narendra Chitbahal Vishwakarma	7,65,000
7.	Nirmala Ravindra Vishwakarma	2,25,000
	<b>Total</b>	<b>45,00,000</b>

(3) The Company allotted 13,62,400 Equity Shares as Bonus Shares of face value of ₹ 10/- each in the ratio of 1 (One) Equity Shares for every 5 (Five) Equity Share to the eligible shareholders on the record date.

5. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.
7. Except for bonus issue made on October 07, 2023, Our Company has not issued any Equity Shares during the period of one year preceding the date of this Draft Red Herring Prospectus.
8. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

**9. Shareholding Pattern of the Company**

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as on the date of this Draft Red Herring Prospectus



## Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on date of this Draft Red Herring Prospectus.

Sr. No.	Category of Shareholders	Nos. of shareholders	No. of fully paid up Equity Shares held	No. of Partly paid-up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			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) As a % of (A+B+ C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form	
								No of Voting Rights Class Equity Shares of ₹10/- each^	Class eg: y	Tot Al			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)
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV	
(A)	Promoter & Promoter Group	7	60,00,000	-	-	60,00,000	73.40	60,00,000	-	60,00,000	73.40	-	-	-	-	-	-	60,00,000
(B)	Public	236	21,74,400	-	-	21,74,400	26.60	21,74,400	-	21,74,400	26.60	-	-	-	-	-	-	21,74,400
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>243</b>	<b>81,74,400</b>	<b>-</b>	<b>-</b>	<b>81,74,400</b>	<b>100.00</b>	<b>81,74,400</b>	<b>-</b>	<b>81,74,400</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,74,400</b>

The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Notes-

- As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.
- We have only one class of Equity Shares of face value of ₹ 10/- each.
- Our Company will file the shareholding pattern in the format prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

## 10. Other details of Shareholding of our Company

- a) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Rajendra Chitbahal Vishwakarma	16,80,000	20.55
2.	Mahendra Chitbahal Vishwakarma	16,80,000	20.55
3.	Narendra Chitbahal Vishwakarma	10,20,000	12.48
4.	Ravindra Chitbahal Vishwakarma	7,20,000	8.81
5.	Kailash Chandra Kabra	3,16,800	3.88
6.	Maltidevi Mahendra Vishwakarma	3,00,000	3.67
7.	Manbhavatidevi Rajendra Vishwakarma	3,00,000	3.67
8.	Nirmala Ravindra Vishwakarma	3,00,000	3.67
9.	Dakshaben Nareshchandra Berawala	1,24,800	1.53
10.	Nareshchandra Ambalal Berawala	1,00,800	1.23
11.	Anuj Gupta	96,000	1.17
<b>Total</b>		<b>66,38,400</b>	<b>81.21</b>

Note: Details as on December 22, 2023, date being closer to date of this Draft Red Herring Prospectus.

- b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Rajendra Chitbahal Vishwakarma	16,80,000	20.55
2.	Mahendra Chitbahal Vishwakarma	16,80,000	20.55
3.	Narendra Chitbahal Vishwakarma	10,20,000	12.48
4.	Ravindra Chitbahal Vishwakarma	7,20,000	8.81
5.	Kailash Chandra Kabra	3,16,800	3.88
6.	Maltidevi Mahendra Vishwakarma	3,00,000	3.67
7.	Manbhavatidevi Rajendra Vishwakarma	3,00,000	3.67
8.	Nirmala Ravindra Vishwakarma	3,00,000	3.67
9.	Dakshaben Nareshchandra Berawala	1,24,800	1.53
10.	Nareshchandra Ambalal Berawala	1,00,800	1.23
11.	Anuj Gupta	96,000	1.17
<b>Total</b>		<b>66,38,400</b>	<b>81.21</b>

Note: Details as on December 22, 2023, date being closer to ten days prior to date of this Draft Red Herring Prospectus.

- c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Rajendra Chitbahal Vishwakarma	14,00,000	20.55
2.	Mahendra Chitbahal Vishwakarma	14,00,000	20.55
3.	Narendra Chitbahal Vishwakarma	8,50,000	12.48
4.	Ravindra Chitbahal Vishwakarma	6,00,000	8.81
5.	Kailash Chandra Kabra	2,64,000	3.88
6.	Maltidevi Mahendra Vishwakarma	2,50,000	3.67
7.	Manbhavatidevi Rajendra Vishwakarma	2,50,000	3.67
8.	Nirmala Ravindra Vishwakarma	2,50,000	3.67
9.	Amrutlal Gordhandas Thobhani	1,14,000	1.67
10.	Dakshaben Nareshchandra Berawala	1,08,000	1.59
11.	Choice Equity Broking Private Limited	1,02,000	1.50
12.	Rohan Gupta	1,02,000	1.50
13.	Nareshchandra Ambalal Berawala	90,000	1.32
<b>Total</b>		<b>57,80,000</b>	<b>84.85</b>

Note: Details as on December 31, 2022, date being closer to one year prior to date of this Draft Red Herring Prospectus.

d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Rajendra Chitbahal Vishwakarma	14,00,000	20.55
2.	Mahendra Chitbahal Vishwakarma	14,00,000	20.55
3.	Narendra Chitbahal Vishwakarma	8,50,000	12.48
4.	Ravindra Chitbahal Vishwakarma	6,00,000	8.81
5.	Maltidevi Mahendra Vishwakarma	2,50,000	3.67
6.	Manbhavatidevi Rajendra Vishwakarma	2,50,000	3.67
7.	Nirmala Ravindra Vishwakarma	2,50,000	3.67
8.	Kailash Chandra Kabra	1,80,000	2.64
9.	Amrutlal Gordhandas Thobhani	1,14,000	1.67
10.	Choice Equity Broking Private Limited	1,02,000	1.50
11.	Dakshaben Nareshchandra Berawala	72,000	1.06
12.	Nareshchandra Ambalal Berawala	72,000	1.06
<b>Total</b>		<b>55,40,000</b>	<b>81.33</b>

Note: Details as on December 31, 2021, date being close to two years prior to date of this Draft Red Herring Prospectus.

### 11. Details of acquisition of specified securities in the last three years

Except as disclosed below, none of the specified security were acquired in the last 3 years, by our Promoters and members of our Promoter Group:

Sr. No.	Name of the acquirer	Date of acquisition of Equity Shares	No. of Equity Shares	Acquisition price per Equity Share*
<b>Promoters</b>				
1.	Rajendra Chitbahal Vishwakarma	October 07, 2023	2,80,000	Nil
2.	Mahendra Chitbahal Vishwakarma	October 07, 2023	2,80,000	Nil
<b>Promoter Group</b>				
3.	Maltidevi Mahendra Vishwakarma	October 07, 2023	50,000	Nil
4.	Manbhavatidevi Rajendra Vishwakarma	October 07, 2023	50,000	Nil
5.	Ravindra Chitbahal Vishwakarma	October 07, 2023	1,20,000	Nil
6.	Narendra Chitbahal Vishwakarma	October 07, 2023	1,70,000	Nil
7.	Nirmala Ravindra Vishwakarma	October 07, 2023	50,000	Nil

\*Allotment of equity Shares of face value of ₹ 10 each as bonus share in the ratio of 1:5 i.e. 1 new equity share for every 5 equity shares held to all the existing shareholders of the Company, out of which allotment of Equity Shares to Promoters and Promoter Group Members.

### 12. Details of shareholding of our Promoters and members of our Promoter Group

#### Build-up of the equity shareholding of our Promoters in our Company

The build-up of the equity shareholding of our Promoters in our Company preceding five (5) years from the date of this Draft Red Herring Prospectus, is set forth in the table below:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face value per Equity Share (₹)	Issue price/ Acquisition Price/ Transfer price per Equity Share (₹)	Nature of Consideration	Percentage of the pre- Issue capital (%)	Percentage of the post- Issue capital (%)
<b>Rajendra Chitbahal Vishwakarma</b>							
As on April 1, 2018	Bonus Issue	14,00,000	10.00	Nil	Other than Cash	17.13%	[●]
October 07, 2023	Bonus Issue	2,80,000	10.00	Nil	Other than Cash	3.42%	[●]
<b>Sub Total (A)</b>		<b>16,80,000</b>				<b>20.55%</b>	<b>[●]</b>

Mahendra Chitbahal Vishwakarma							
As on April 1, 2018	Bonus Issue	14,00,000	10.00	Nil	Other than Cash	17.13%	[●]
October 07, 2023	Bonus Issue	2,80,000	10.00	Nil	Other than Cash	3.42%	[●]
<b>Sub Total (B)</b>		<b>16,80,000</b>				<b>20.55%</b>	<b>[●]</b>
<b>Total (A+ B)</b>		<b>33,60,000</b>					<b>[●]</b>

- All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.
- The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- None of the Equity Shares held by our Promoters are pledged or otherwise encumbered.
- All Equity Shares held by our Promoters and our Promoter Group is in dematerialized form.
- As on the December 22, 2023 date being closer to the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group, in aggregate, holds 60,00,000 Equity Shares, equivalent to 73.40% of the issued, subscribed, and paid-up Equity Share capital of our Company, as set forth in the table below:

Name of the Shareholder	Pre-Issue		Post-Issue	
	No. of Equity Shares	Percentage of total Equity Share capital (%)	No. of Equity Shares	Percentage of total Equity Share capital (%)
<b>Promoters</b>				
Rajendra Chitbahal Vishwakarma Jt. Manbhavatidevi Rajendra Vishwakarma	16,80,000	20.55%	16,80,000	[●]
Mahendra Chitbahal Vishwakarma Jt. Maltidevi Mahendra Vishwakarma	16,80,000	20.55%	16,80,000	[●]
<b>Total (A)</b>	<b>33,60,000</b>	<b>41.10%</b>	<b>33,60,000</b>	<b>[●]</b>
<b>Promoter Group</b>				
Narendra Chitbahal Vishwakarma	10,20,000	12.48%	10,20,000	[●]
Ravindra Chitbahal Vishwakarma Jt. Nirmala Ravindra Vishwakarma	7,20,000	8.81%	7,20,000	[●]
Maltidevi Mahendra Vishwakarma Jt. Mahendra Chitbahal Vishwakarma	3,00,000	3.67%	3,00,000	[●]
Manbhavatidevi Rajendra Vishwakarma Jt. Rajendra Chitbahal Vishwakarma	3,00,000	3.67%	3,00,000	[●]
Nirmala Ravindra Vishwakarma Jt. Ravindra Chitbahal Vishwakarma	3,00,000	3.67%	3,00,000	[●]
<b>Total (B)</b>	<b>26,40,000</b>	<b>32.30%</b>	<b>26,40,000</b>	<b>[●]</b>
<b>Total (A+B)</b>	<b>60,00,000</b>	<b>73.40%</b>	<b>60,00,000</b>	<b>[●]</b>

- None of our Promoters, the members of our Promoter Group, our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
- There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

### 13. Details for lock- in of Equity Shares

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoters Contribution") and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The lock in of Promoter's

Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 33,60,000 Equity Shares constituting 41.10% of the Post – Issued, subscribed and paid up Equity Shares Share Capital of our Company, which are eligible for the Promoters’ contribution.

Our Promoters, Rajendra Chitbahal Vishwakarma and Mahendra Chitbahal Vishwakarma, have given written consent to include [●]% Equity Shares held by them as part of Promoters Contribution constituting [●]% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
<b>Rajendra Chitbahal Vishwakarma</b>						
[●]	[●]	[●]	[●]	[●]	[●]	3 years
Total	[●]	[●]	[●]	[●]	[●]	
<b>Mahendra Chitbahal Vishwakarma</b>						
[●]	[●]	[●]	[●]	[●]	[●]	3 years
Total	[●]	[●]	[●]	[●]	[●]	

\*Assuming full subscription to the Issue.

The minimum Promoter’s contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as “Promoter” under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

**Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018**

Reg. No.	Promoters’ Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter’s Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoter’s contribution does not consist of such Equity Shares. Hence Eligible
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters’ contribution	The minimum Promoter’s contribution does not consist of such Equity Shares. Hence Eligible
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter’s contribution does not consist of such Equity Shares. Hence Eligible.
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the Promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter’s contribution does not consist of such Equity Shares. Hence Eligible.

237(1)(d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
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**Details of Promoters' Contribution Locked-in for One Year**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue Equity Shares of the Promoters and Promoter group constituting 60,00,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

**Other requirements in respect of lock-in:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the Promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.

14. As on the date of this Draft Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid- up Equity Shares.
15. The BRLM i.e, Gretex Corporate Services Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
16. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
17. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Further Public Issue.
18. Our Company has not raised any bridge loan against the proceeds of the Issue.

19. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.
20. As on the December 22, 2023, date being closer to the date of this Draft Red Herring Prospectus, our Company has 243 holders of Equity Shares.
21. Except for Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use of Equity Shares as consideration for acquisitions or participations in such joint ventures.
22. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.
23. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
24. An over-subscription to the extent of 1% of the Issue subject to the maximum post issue paid up capital of ₹ 25 cr. can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% 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 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
25. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof.
26. 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, 2018 and its amendments from time to time.
27. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
28. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
29. There are no Equity Shares against which depository receipts have been issued.
30. Other than the Equity Shares, there is no other class of securities issued by our Company.
31. There are no safety net arrangements for this public issue.
32. As per RBI regulations, OCBs are not allowed to participate in this Issue.
33. Our Promoters and Promoter Group will not participate in this Issue.
34. This Issue is being made through Book Building Method.

35. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
36. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Draft Red Herring Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.



## SECTION VII - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The issue comprises of a fresh Issue of up to 36,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

We intend to utilize the Proceeds of the Issue, after deducting the Issue related expenses, as estimated to be ₹ [●] Lakh (the “Net Proceeds”).

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

- (1) Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work;
- (2) Repayment/prepayment, in full or part, of certain borrowings availed of by our Company;
- (3) Funding to meet working capital requirements; and
- (4) General corporate purposes.

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

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enable us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

#### Issue Proceeds

The details of the proceeds of the Issue are set out in the following table:

(₹ in Lakh)

Particulars	Estimated amount <sup>(1)</sup>
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
<b>Net Proceeds</b>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus.

#### Requirement of Funds and Utilization of Net Proceeds

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

(₹ in Lakh)

Sr. No.	Particulars	Estimated amount	% of Net Proceeds
1.	Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work	Upto 1174.98	[●]
2.	Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 125.00	[●]
3.	Funding working capital requirements of our Company	Upto 750.00	[●]
4.	General corporate purposes <sup>(1)</sup>	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

**Schedule of implementation** We propose to deploy the Net Proceeds towards the aforesaid Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(₹ in Lakh)

Sr. No.	Particulars	Estimated Utilisation of Net Proceeds	Estimated Deployment from Net Proceeds Fiscal 2024	Estimated Deployment from Net Proceeds Fiscal 2025
1.	Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work	Upto 1174.98	Upto 474.98	Upto 700.00
2.	Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 125.00	Upto 125.00	Nil
3.	Funding working capital requirements of our Company	upto 750.00	Upto 500.00	Upto 250.00
4.	General corporate purposes <sup>#</sup>	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]

<sup>#</sup>To be finalized on determination of the Issue Price and updated in the Prospectus.

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

Subject to applicable law, if the actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in “Objects of the Issue – Variation in Objects” on page 77.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page 23 of the Draft Red Herring Prospectus.

#### Details of Objects of the Issue

##### 1. Funding capital expenditure towards installation of plant & machinery in our existing premises along with required civil, electric and fabrication work

Our Company is manufacturer and supplier of Pre-Finished Wooden Doors and Modular Furniture in India. We have been in business since November 13, 1997, which gives us a quarter-century of experience in this industry. Since then, we have been reaching remarkable milestones in creation and innovation. We create a wide range of wooden doors and furniture for Modular Kitchens, Wardrobes, Vanities and Modern Office furniture through customized, system-based, or turnkey projects PAN India.

We propose to improve the quality and quantity of our products for which we intend to install latest equipment and undertake modification in the existing machine along with few new age machineries. We believe that the said equipment will enable us in manufacturing better quality products which will increase our sales and reduce our direct expenditures.

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

## Estimated Costs

A brief description of estimated cost involved is mentioned below:

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

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

S. No.	Capital Expenditure	Description	Amount <sup>\$</sup> (₹ in Lakh)	Vendor	Quotation upto	Valid
1.	Plant and Machinery	Diesel Operated 3Ton Forklift Truck - DVX30 MAX KAT, "KION" Make	12.57	Shree Maa Ashapura Enterprises	February 05, 2024	
2.	Plant and Machinery	Powder Coating Plant	106.20	Surftech Systems India Private Limited	January 31, 2024	
3.	Plant and Machinery	Side Draft Wet Type Paint Booth "Surftech Engineers" Make	20.40	Surftech Systems India Private Limited	January 31, 2024	
4.	Plant and Machinery	Side Draft Wet Type Paint Booth "Surftech Engineers" Make	15.30	Surftech Engineers	January 31, 2024	
5.	Plant and Machinery	630 KVA/11-0.415 KV Transformer IS 1180-OLTCL-Level I "ROYAL" make"	17.71	Royal Electricals	January 31, 2024	
6.	Plant and Machinery	Goods / Material 2500 Kgs. capacity / 5.1 Metre Height	12.69	Technosys Equipments Private Limited	January 31, 2024	
7.	Plant and Machinery	Hydraulic Hot Press – 1 LAYER – 120 Ton, 8' x 4'	15.05	Nihar Industries	January 31, 2024	
8.	Plant and Machinery	Multi Boring - Triple Raw Drilling Machine	6.79	Nihar Industries	January 31, 2024	
9.	Plant and Machinery	Single-Sided Edge bander Machine (JADE 325A)	18.29	Biesse Manufacturing Co. Private Limited	January 31, 2024	
10.	Plant and Machinery	Single-Sided Edge bander Machine (JADE 340A)	46.02	Biesse Manufacturing Co. Private Limited	January 31, 2024	
11.	Rooftop Solar Plant	Roof Top Solar Power Plant Grid - 150 KWp	59.92	Tata Power Solar Systems Limited	January 30, 2024	
12.	Plant and Machinery	Amada Brand NC Turret Punch Press, Model No. AE2610NT with Standard Accessories	300.90	Amada (India) Private Limited	February 20, 2024	
13.	Plant and Machinery	Amada Hydraulic Press Brake, Model No. RGM2-1003 with Standard Accessories	113.28	Amada (India) Private Limited	February 20, 2024	
14.	Civil Work	Extension of Shed, Compound Wall	206.56	Jay Bharat Construction	February 15, 2024	
15.	Plant and Machinery	Heavy Duty Pallet Rack for existing Warehouse for Flush Doors	7.24	Atharva Industries	January 30, 2024	
16.	Electric Installation	Commissioning, Testing, Installation of 630 KVA/11-0.415 KV Transformer and Complete Electrical Cable laying, Main Switches & Stabilizer Installation	7.44	Balark Electricals	February 29, 2024	
17.	Civil and Fabrication	Providing & laying of PCC in Machine area, providing & fixing of corner facia, sky light sheet, rolling shutter, structural steel, removing & applying of Plaster, etc.	163.44	Soni Interiors	March 31, 2024	
18.	Plant and Machinery	Amada Tool Grinder Model TOGU III (Automatic Tool Grinding Machine)	34.22	Amada (India) Private Limited	March 04, 2024	
19.	Plant and Machinery	Heavy Duty Pallet Rack for Metal Doors	12.39	Atharva Industries	February 03, 2024	
20.	Electric Installation	Supply and Installation of PCC Panel	6.96	Balark Electricals	February 19, 2024	
21.	Miscellaneous Capital Expenditures	MIG Welding Machine 400KR2 "Panasonic" make, Spot Welding Machine "Welson" make, Portable tools like Grinding, Drilling & Sanding Machine	16.62	General Market Buying	Not Applicable	
	<b>Total</b>		<b>1199.98</b>			

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

**Notes: -**

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

**Proposed Schedule of Implementation**

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

Particular	Estimated month of	
	Commencement	Completion
Order of P&M, Equipment	February 2024	February 2024
Delivery of Machineries	March 2024	June 2024
Installation and erection of machineries	March 2024	August 2024
Trial run and R&D	September 2024	
Commercial production	November 2024	

**Means of Finance**

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

**2. Repayment/prepayment, in full or part, of certain borrowings availed of by our Company.**

We avail majority of our fund based and non-fund based facilities in the ordinary course of business from Bank. For further information on the financial indebtedness availed of by our Company, see "Statement of Financial Indebtedness" beginning on page 190. As of September 30, 2023, we had an outstanding balance of our borrowings, including secured and unsecured borrowings (long term and short term) of ₹ 1,890.41 Lakh. Our Company proposes to utilize an aggregate amount of upto ₹ 125.00 Lakh from the Net Proceeds towards repayment/pre-payment, in full or in part, of certain borrowings availed of by our Company. The selection and extent of borrowings proposed to be prepaid and/or repaid by our Company as mentioned below is based on various commercial considerations including, among others, the interest rate of the relevant borrowings, prepayment charges, the amount of the borrowings outstanding and the remaining tenor of the borrowings. The prepayment or scheduled repayment will help us reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, the improvement in the debt to equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following tables provide details of outstanding borrowings availed of by our Company as on September 30, 2023, which we propose to prepay or repay, in full or in part, from the Net Proceeds up to an aggregate amount of ₹ 125.00 Lakh:

Name of the Lender	Purpose of Borrowing	Nature of Borrowing	Sanctioned Amount as on September 30, 2023	O/s Amount as on September 30, 2023	Interest Rate	Repayment Schedule	Prepayment/ Penalty Premium
Union Bank of India-TL VII	Installation of Plant and Machinery	Term Loan	150.00	15.79	EBLR+0.90%	60 Monthly Instalments	Nil
Union Bank of India-TL III	Installation of Plant and Machinery	Term Loan	625.00	138.27	EBLR+4%+0.50% -0.75%-0.25%	72 Monthly Instalments after 10 Months moretorium	Nil
<b>Total</b>			<b>775.00</b>	<b>154.06</b>			

In compliance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditors pursuant to their certificate dated December 28, 2023, have certified the utilization of the above mentioned borrowings for the purposes such borrowings were availed for, as at September 30, 2023. For further information on the terms and conditions of these financing arrangements, see “Statement of Financial Indebtedness” beginning on page 190.

Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Draft Red Herring Prospectus and/or draw down further funds under existing loans from time to time. Accordingly, in case any of the above loans are pre-paid or further drawn-down prior to the completion of the Issue, we may utilize the Net Proceeds towards scheduled repayment / pre-payment of such additional indebtedness as will be disclosed in the Red Herring Prospectus.

In light of the above, if at the time of filing the Draft Red Herring Prospectus, any of the aforementioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table above shall be suitably revised at the time of filing the Red Herring Prospectus to reflect the revised amounts or loans as the case may be which have been availed by our Company.

Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. Payment of pre-payment penalty or premium, if any, shall be made by our Company from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

#### Funding to meet working capital requirements

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

Our Company proposes to utilize ₹ 500.00 Lakh of the Net Proceeds in Fiscal 2024 and ₹ 250.00 Lakh of the Net Proceeds in Fiscal 2025 towards our Company’s working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

#### Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakh)

Sr. No	Particulars	Restated Financial Statements				Estimations	
		March 2021	March 2022	March 2023	September 2023	March 2024	March 2025
(A)	Current assets						
(a)	Inventory	1,639.90	1,610.15	1,883.30	2,045.89	2,372.56	3,274.13
(b)	Receivables	926.71	1,313.18	1,915.16	2,505.27	2,720.67	3,754.52
(c)	Short Term Loans and Advances	193.40	122.41	180.80	307.58	334.02	460.95

	<b>Total Current Assets (A)</b>	<b>2,760.01</b>	<b>3,045.74</b>	<b>3,979.26</b>	<b>4,858.74</b>	<b>5,427.25</b>	<b>7,281.54</b>
(B)	Current liabilities						
(a)	Trade Payables	713.11	605.10	1198.72	1,142.63	1,186.28	1,455.17
(b)	Other current liabilities	120.01	273.78	490.63	459.67	395.43	688.88
(c)	Short Term Provisions	50.79	68.36	216.01	392.30	426.03	587.92
	<b>Total Current liabilities (B)</b>	<b>883.91</b>	<b>947.24</b>	<b>1,905.36</b>	<b>1,994.60</b>	<b>2,007.74</b>	<b>1,979.69</b>
(C)	<b>Total working capital requirement (A - B)</b>	<b>1,876.10</b>	<b>2,098.50</b>	<b>2,073.90</b>	<b>2,864.14</b>	<b>3,419.51</b>	<b>5,301.85</b>
(D)	Existing funding pattern						
	Short term Borrowing and internal accruals	<b>1,876.10</b>	<b>2,098.50</b>	<b>2,073.90</b>	<b>2,864.14</b>	<b>2,919.51</b>	<b>5,051.85</b>
	FPO proceeds					500.00	250.00

### Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for years/period ended September 30 2023, March 31, 2023, March 31, 2022 and March 31, 2021, as well as projections for financial year ended March 31, 2024 and March 31, 2025.

<b>Particulars</b>	<b>Fiscal 2021 (Actual)</b>	<b>Fiscal 2022 (Actual)</b>	<b>Fiscal 2023 (Actual)</b>	<b>Sept 2023 (Actual)</b>	<b>Fiscal 2024 (Estimated)</b>	<b>Fiscal 2025 (Estimated)</b>
Current Assets						
(a) Inventory	293	191	98	84	90	90
(b) Receivables	165	155	100	103	103	103
(c) Short Term Loans and Advances	35	14	9	13	13	13
Current Liabilities						
(a) Payables	127	72	62	47	45	45
(b) Other Current Liabilities	21	32	26	19	15	15
(c) Short Term Provisions	9	8	11	16	16	16

The working capital projections made by the Company are based on certain key assumptions, as set out below:

<b>Particulars</b>	<b>Assumptions and Justifications</b>
Current Assets	
Inventories	The holding levels of inventory were 293 days in Fiscal 2021, 191 days in Fiscal 2022. The higher inventory levels in 2021 and 22 were due to Covid 2019. As can be seen, the holding levels have reduced to 98 days in 2023 due to business returning to normalcy. We expect the holding level to reduce to 90 days in Fiscal 2024 and Fiscal 2025.
Trade Receivables	The holding levels of trade receivables were 165 days in Fiscal 2021, 155 days in Fiscal 2022 and 100 days in Fiscal 2023. We expect the holding level for Fiscal 2024 and Fiscal 2025 to be 103 days.
Short Term Loans and Advances	In the past, the holding levels were 35 days in Fiscal 2021, 14 days in Fiscal 2022, which further improved to 9 days in Fiscal 2023. We expect the holding level for Fiscal 2024 and 2025 to be 13 days.
Current Liabilities	
Trade payables	The holding level of Trade payables has been 127 days for Fiscal 2021 and 72 days for Fiscal 2022, and 62 days in Fiscal 2023. We expect the holding level for Fiscal 2024 and Fiscal 2025 to be 45 days.
Other Current liabilities	In the past, the holding levels were 21 days in Fiscal 2021 and 32 days in Fiscal 2022 respectively, which further improved to 28 days in Fiscal 2023. We expect the holding level for Fiscal 2024 and 2025 to be 15 days.
Short Term Provisions	In the past, the holding levels were 6 days in Fiscal 2021 and Fiscal 2022, which further goes to 10 days in Fiscal 2023. We expect the holding level for Fiscal 2024 and 2025 to be 16 days.

### General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may

face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of ₹ [●] Lakh, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

### Issue Related Expenses

The total estimated Issue Expenses are ₹ [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in Lakh)			
Particulars	Expenses*	As a % of total expenses	As a % of Gross Issue size
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees**, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
<b>Total estimated Issue expenses*</b>	[●]	[●]	[●]

In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

Issue expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

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

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

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

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

### Interim Use of Funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Net Issue Proceeds for any investment in equity and / or real estate products and / or equity linked, and/ or real estate linked products.

### **Appraisal by Appraisal Agency**

None of the objects have been appraised by any bank or financial institution or any other independent third –party organizations.

### **Bridge Financing Facilities**

As on the date of this Draft Red Herring Prospectus, we have not entered into any bridge financing arrangements which is subject to being repaid from the Issue Proceeds.

### **Strategic or Financial Partners**

There are no strategic or financial partners to the Objects of the Issue.

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

As the size of the Issue will not exceed ₹ 10,000 Lakh, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application 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 Draft 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.

### **Key Industrial Regulations for the Objects of the Issue**

No additional provisions of any acts, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company to the Promoters and Promoter group, the Directors or to any Key Management Personnel, except in the normal course of business and in compliance with the applicable law.

There is no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, our Directors, Key Managerial Personnel. Our Company does not require any material government and regulatory approvals in relation to the objects of the Issue.

### **Variation in Objects**

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



## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Our Business” and its financial statements under the section titled “Financial Information” beginning on page 23, 97 and 149 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

### Qualitative Factors

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

- (1) Experienced Management and Motivated Team
- (2) Skilled and dedicated manpower
- (3) Range of Product Offerings
- (4) Compliance with Quality Standards
- (5) Existing customer relationship
- (6) Strong & Long term relationship with our Clients

For further information, please see “Our Business - Our Strengths” on page 98.

### Quantitative Factors

Certain information presented below, relating to the Company, is based on the Restated Financial Statements. For details, please see “Restated Financial Statements” on page 149. Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

#### 1. Basic & Diluted Earnings Per Share (EPS):

Fiscal Year/ Period	Basic & Diluted EPS (₹)	Weights
2021	(1.22)	1
2022	0.73	2
2023	5.08	3
<b>Weighted Average</b>	<b>2.58</b>	
Half year ending September 30, 2023*	3.54	

\*Not Annualized

#EPS is calculated post adjustment of Bonus Issue dated October 07, 2023.

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The face value of each Equity Share is ₹10.00.
- Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

## 2. Price to Earnings (P/E) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on Basic EPS for Fiscal 2023	[●]	[●]
Based on Weighted Average EPS, as restated for Fiscal 2023	[●]	[●]

\*To be updated at the time of Prospectus

Notes:

i. The P/E Ratio of our Company has been computed by dividing Issue Price with EPS.

## 3. Industry P/E

There are no listed companies in India that engage in a business that is similar to that of our Company and are of the comparable size in the same industry that we operate.

## 4. Average Return on Net Worth

Fiscal year/ Period ended	Return on Net Worth (%)	Weights
2021	(4.74)	1
2022	2.77	2
2023	16.12	3
<b>Weighted Average</b>	<b>8.19</b>	
Half year ending September 30, 2023*	10.10	

\* Not Annualized

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights

## 5. Net Asset Value (“NAV”) per share (face value of each Equity Share is ₹10)

NAV per Equity Share	(Amount in ₹)
• As at March 31, 2023	31.49
• As at September 30, 2023	35.02
• NAV per Equity Share after the Issue	
a) at floor Price	[●]
b) at Cap Price	[●]
• Issue Price	[●]

\*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.

# NAV is calculated post adjustment of Bonus Issue dated October 07, 2023.

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

## 6. Comparison with listed industry peers

There are no listed companies in India that engage in a business that is similar to that of our Company and are of the comparable size in the same industry that we operate.

## 7. Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 28, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by C B Mehta & Associates, Chartered Accountants, ICAI FRN.: 124978W by their certificate dated December 28, 2023

The KPIs of our Company have been disclosed in the sections titled "Our Business" on page 97.

We have described and defined the KPIs as applicable in chapter "Definitions and Abbreviations" on page 2 of this Draft Red Herring Prospectus.

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

### Key Performance Indicators of our Company

(₹In Lakh except percentages and ratios)

Key Financial Performance	Half year ended Sep 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>	4,417.99	7,023.40	3,084.09	2,044.91
EBITDA <sup>(2)</sup>	552.65	829.99	316.53	203.04
EBITDA Margin <sup>(3)</sup>	0.13	0.12	0.10	0.10
PAT <sup>(4)</sup>	289.16	414.87	59.81	(99.41)
PAT Margin <sup>(5)</sup>	0.07	0.06	0.02	(0.05)
RoE(%) <sup>(6)</sup>	10.10	16.12	2.77	(4.74)
RoCE (%) <sup>(7)</sup>	10.28	19.36	5.39	1.79

Notes:

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

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

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

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

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

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

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

### Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our Business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
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.

***Set forth the description of historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.***

For evaluation our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Financial Information. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

**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)

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on October 07, 2023, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

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

(c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group members 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 irrespective of the size of transactions, is as below:

**Primary Transactions:**

Except as disclosed below, there have been no primary transactions in the 18 months preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Lakh)
October 07, 2023	13,62,400	10	Nil	Bonus Issue in the ratio of 1:5	Other than Cash	Nil

**Secondary Transactions:**

There have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

(d) Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Issue price* (i.e. ₹ [●])	Issue price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 9(a) above.	NA^	NA^	NA^

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Issue price* (i.e. ₹ [●])	Issue price* (i.e. ₹ [●])
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 9(b) above.	NA^^	NA^^	NA^^
Weighted average cost of acquisition of primary issuances /secondary transactions as per paragraph 9(c) above	NIL	[●] times	[●] times

Note:

^There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Draft Red Herring Prospectus.

^^There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) other than Shares transfer on in last 18 months from the date of this Draft Red Herring Prospectus.

\* To be updated at Prospectus stage.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Mumbai edition of Regional newspaper [●] where the registered office of the Company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with “Our Business”, “Risk Factors” and “Restated Financial Statements” on pages 97, 23 and 149 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” or any other factors that may arise in the future and you may lose all or part of your investments.

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

The Issue Price of ₹ [●] is determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 23, 97, 149 and 179 respectively, to have a more informed view.

## STATEMENT OF SPECIAL TAX BENEFITS

To  
**The Board of Directors**  
**Omfurn India Limited**  
109, Gundecha Industrial Complex,  
Akurli Road, Kandivali East,  
Mumbai -400101, Maharashtra.

Dear Sir,

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

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2022 (i.e. applicable to F.Y. 2023-24 relevant to A.Y. 2024-25) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax (GST) Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

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

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

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

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

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

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

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

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

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

We have conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have also 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.

This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Issue documents, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Book Running Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Issue Documents.

This certificate may be relied on by the Book Running Lead Manager and legal counsel in relation to the Issue.

We confirm that on receipt of any written communication from Company of any changes in the information, we will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date the Equity Shares issued pursuant to the Issue commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Issue Documents.

**For C B Mehta & Associates**  
**Chartered Accountants**  
**ICAI FRN.: 124978W**

**Sd/-**  
**C B Mehta**  
**Proprietor**  
**Membership No.: 116543**  
**Place: Mumbai**  
**Date: December 28, 2023**  
**UDIN: 23116543BGVDJE3488**

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2023-24. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**1. Special Tax Benefits to the Company**

There are no Special tax benefits available to the Company except section 115BAA as availed by the Company.

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

There are no Special tax benefits available to the shareholders of the Company.

**Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2023-24 relevant to A.Y. 2024-25.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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

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

**For C B Mehta & Associates  
Chartered Accountants  
ICAI FRN.: 124978W**

**Sd/-  
C B Mehta  
Proprietor  
Membership No.: 116543  
Place: Mumbai  
Date: December 28, 2023  
UDIN: 23116543BGVDJE3488**



## SECTION VIII – ABOUT THE ISSUER COMPANY

### OUR INDUSTRY

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

#### GLOBAL ECONOMY AT LARGE

##### Navigating Global Divergences

The baseline forecast is for global growth to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024, well below the historical (2000–19) average of 3.8 percent. Advanced economies are expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 as policy tightening starts to bite. Emerging market and developing economies are projected to have a modest decline in growth from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024, due to tighter monetary policy aided by lower international commodity prices. Core inflation is generally projected to decline more gradually, and inflation is not expected to return to target until 2025 in most cases.

Monetary policy actions and frameworks are key at the current juncture to keep inflation expectations anchored. Chapter 2 documents recent trends in inflation expectations at near- and medium-term horizons and across agents. It emphasizes the complementary role of monetary policy frameworks, including communication strategies, in helping achieve disinflation at a lower cost to output through managing agents' inflation expectations. Given increasing concerns about geo-economic fragmentation, Chapter 3 assesses how disruptions to global trade in commodities can affect commodity prices, economic activity, and the green energy transition.

##### Growth Forecast for Emerging Market and Developing Economies

For emerging market and developing economies, growth is projected to decline relatively modestly, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point for 2024 compared with the July 2023 WEO Update projection. However, this average path hides regional divergences, with growth in two of the five main geographic regions rising in 2023 and then falling in 2024.

Growth in emerging and developing Asia is projected to rise from 4.5 percent in 2022 to 5.2 percent in 2023, then to decline to 4.8 percent in 2024, with downward revisions of 0.1 percentage point and 0.2 percentage point for 2023 and 2024, respectively, compared with July projections. The revision reflects a lower forecast for China, which is revised downward by 0.2 percentage point for 2023 and by 0.3 percentage point for 2024 to growth of 5.0 percent in 2023 and 4.2 percent in 2024. With the property market crisis in that country, lower investment is the main contributor to the revision. Growth in India is projected to remain strong, at 6.3 percent in both 2023 and 2024, with an upward revision of 0.2 percentage point for 2023, reflecting stronger-than-expected consumption during April-June.

Growth in emerging and developing Europe is projected to rise to 2.4 percent in 2023, with an upward revision of 0.6 percentage point since July, before declining to 2.2 percent in 2024. The forecast for Russia is for a rise from –2.1 percent in 2022 to 2.2 percent in 2023, with an upward revision of 0.7 percentage point for 2023. The rise in growth reflects a substantial fiscal stimulus, strong investment, and resilient consumption in the context of a tight labor market. The upward revision for the region for 2023 also reflects an increase of 5.0 percentage points to the forecast for Ukraine to growth of 2.0 percent; the increase is due to stronger-than-expected domestic demand growth, with firms and households adapting to the war in that country amid sharply declining inflation and stable foreign exchange markets. It additionally reflects a 1.0 percentage point upside revision to growth of 4.0 percent in Türkiye, on the back of stronger-than-expected domestic demand.

Latin America and the Caribbean is expected to see growth decline from 4.1 percent in 2022 to 2.3 percent in both 2023 and 2024, although with 0.4 percentage point and 0.1 percentage point upward revisions for 2023 and 2024, respectively, since July. The decline for 2023 reflects a normalization of growth along with the effect of tighter policies, a weaker external environment, and lower commodity prices. The upward revision to 2023 since July reflects stronger-than-expected growth in Brazil, revised upward by 1.0 percentage point to 3.1 percent, driven by buoyant agriculture and resilient services in the first half of 2023. Consumption has also remained strong, supported by fiscal stimulus. The upward revision for the region

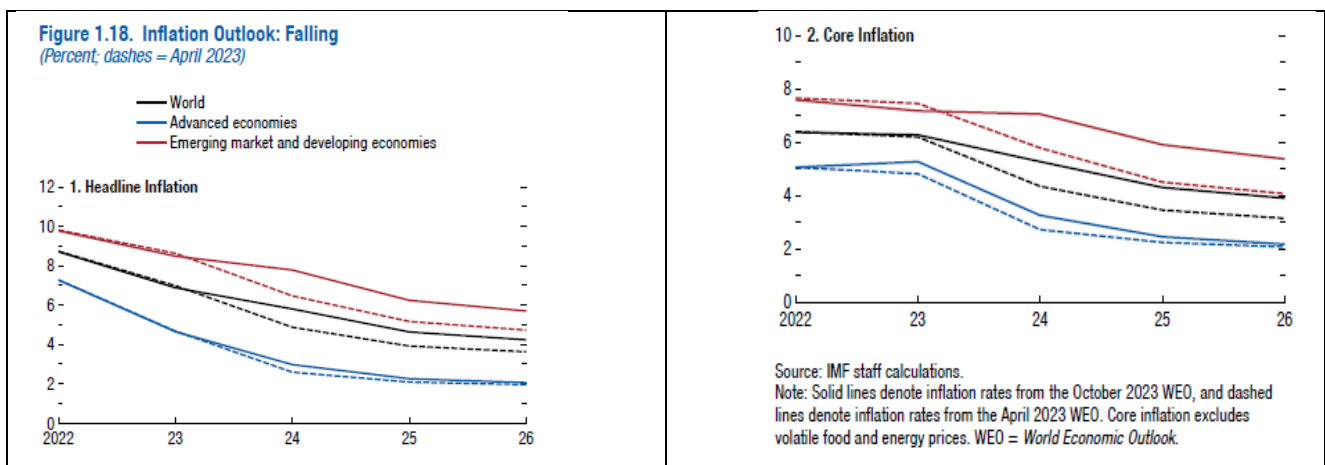
also reflects stronger-than-expected growth in Mexico, revised upward by 0.6 percentage point to 3.2 percent, with the delayed post pandemic recovery taking hold in construction and services and spillovers from resilient US demand.

Growth in the Middle East and Central Asia is projected to decline from 5.6 percent in 2022 to 2.0 percent in 2023, before picking up to 3.4 percent in 2024, with a 0.5 percentage point downward revision for 2023 and a 0.2 percentage point upward revision for 2024. The change for 2023 is attributable mainly to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7 percent in 2022 to 0.8 percent in 2023, with a negative revision to the latter of 1.1 percentage point. The downgrade for growth in Saudi Arabia in 2023 reflects announced production cuts, including unilateral cuts and those in line with an agreement through OPEC+. Private investment, including that from “gigaproject” implementation, continues to support non-oil GDP growth, which remains strong and unchanged from previous projections. The downgrade for 2023 also reflects cuts to the growth forecast for Sudan to about –18.3 percent (a downward revision of nearly 20 percentage points) reflecting the outbreak of conflict, deteriorating domestic security, and the worsening humanitarian situation. The upgrade for 2024 reflects the unwinding of some of the announced production cuts.

In sub-Saharan Africa, growth is projected to decline to 3.3 percent in 2023 before picking up to 4.0 percent in 2024, with 0.2 percentage point and 0.1 percentage point downward revisions for 2023 and 2024, respectively, and with growth remaining below the historical average of 4.8 percent. The projected decline reflects, in a number of cases, worsening weather shocks, the global slowdown, and domestic supply issues, including, notably, in the electricity sector. Growth in Nigeria is projected to decline from 3.3 percent in 2022 to 2.9 percent in 2023 and 3.1 percent in 2024, with negative effects of high inflation on consumption taking hold. The forecast for 2023 is revised downward by 0.3 percentage point, reflecting weaker oil and gas production than expected, partially as a result of maintenance work. In South Africa, growth is expected to decline from 1.9 percent in 2022 to 0.9 percent in 2023, with the decline reflecting power shortages, although with a 0.6 percentage point upward revision thanks to the intensity of power shortages in the second quarter of 2023 being lower than expected.

### Inflation Outlook: Gradual Decline to Target

Global headline inflation is expected to steadily decline from its peak of 8.7 percent in 2022 (annual average) to 6.9 percent in 2023 and 5.8 percent in 2024 (Table 1.1). The forecast for 2024 is revised upward by 0.6 percentage point, reflecting higher-than-expected core inflation. On a year-over-year basis, projected global headline inflation peaked at 9.5 percent in the third quarter of 2022 and is projected to reach 5.9 percent by the fourth quarter of 2023 before falling to 4.8 percent in the fourth quarter of 2024, still above the pre pandemic (2017–19) annual average of about 3.5 percent. Although monetary tightening is starting to bear fruit, a central driver of the fall in headline inflation projected for 2023 is declining international commodity prices. Nearly three-quarters of economies are expected to see lower headline inflation in 2023, but the pace of disinflation is especially pronounced for advanced economies (Figure 1.18). These economies are expected to see (annual average) inflation fall by 2.7 percentage points in 2023, about double the (1.3 percentage point) decline projected for emerging market and developing economies. Part of this difference reflects advanced economies’ benefiting from stronger monetary policy frameworks and communications, which facilitate disinflation (Chapter 2), but the difference also reflects lower exposure to shocks to commodity prices and exchange rates. In low-income developing countries, inflation is on average projected to be in double digits and is not expected to fall until 2024.



### Policy Priorities: From Disinflation to Sustained Growth

With inflation declining, policymakers are approaching the final stage of the inflation cycle that started in 2021. But despite the progress, persistent policy challenges remain. Underlying inflation is still too high in most countries and could easily

persist, and budgetary space for needed investments is constrained in many cases, particularly in lower- and middle-income countries saddled with unsustainable debts. Putting a priority on supply-enhancing reforms that front-load gains and foster buy-in would narrow the large output losses projected under current policies, especially for emerging market and developing economies. Mitigating the negative effects of climate change and geoeconomic fragmentation and protecting the most vulnerable will require swift and internationally coordinated policy actions.

<https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023>

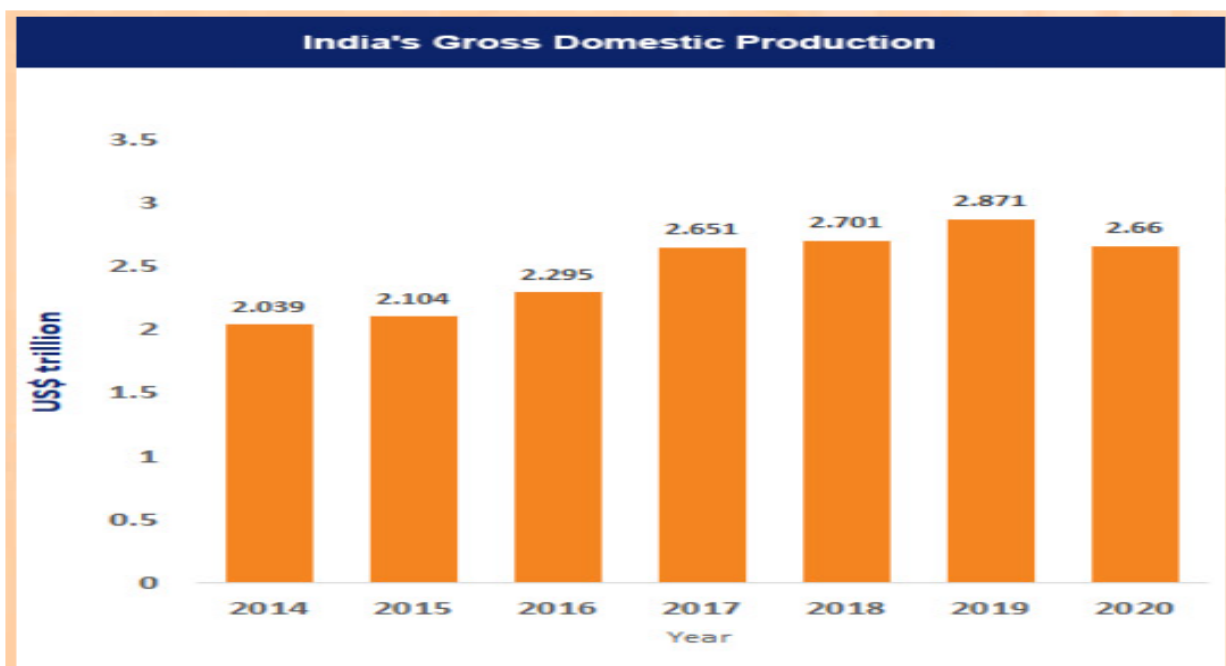
## INDIAN INDUSTRY OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at ₹ 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022–23 estimated at ₹ 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In 2023-24 (April-September), India’s service exports stood at US\$ 164.89 billion. Furthermore, India’s overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## MARKET SIZE



India's nominal gross domestic product (GDP) at current prices is estimated to be at ₹ 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was ₹ 70.67 trillion (US\$ 848.92 billion), as against ₹ 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) decreases to US\$ 9.2 billion in Q1 of 2023-24 from US\$ 17.9 billion in Q1 of 2022-2023.

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

## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of August 2023, India's foreign exchange reserves stood at US\$ 594.90 billion.
- In the first half of 2023-24, India saw a total of US\$ 21 billion in PE-VC investments.
- Merchandise exports in September 2023 stood at US\$ 34.47 billion, with total merchandise exports of US\$ 211.40 billion during the period of April-September (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- PMI Services remained comfortably in the expansionary zone at 62.3 in the month of June 2023.
- In September 2023, the gross Goods and Services Tax (GST) revenue collection stood at ₹1,62,712 crore (US\$ 19.54 billion), of which CGST is ₹ 29,818 crore (US\$ 3.58 billion), SGST is ₹ 37,657 crore (US\$ 4.52 billion), IGST is ₹ 83,623 crore (US\$ 10.04 billion).
- Between April 2000-June 2023, cumulative FDI equity inflows to India stood at US\$ 937.58 billion.
- In August 2023, the overall IIP (Index of Industrial Production) stood at 145.1. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 111.9, 143.5 and 220.5, respectively, in August 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.02% in September 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to ₹ 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold ₹ 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested ₹ 22,000 crore (US\$ 2.67 billion) in India during the first week of July 2023.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

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

Urban Transformation, are aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of ₹ 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29th, 2022 by the Ministry of Railways.
- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of ₹ 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of ₹ 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20th, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (₹) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth ₹ 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than ₹ 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.

- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30th, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1st, 2022, aimed at strengthening interventions for women's safety, security and empowerment.
- The Union Budget of 2022-23 was presented on February 1st, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at ₹ 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to ₹ 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth ₹ 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of ₹ 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹ 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹ 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated ₹ 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated ₹ 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got ₹ 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of ₹ 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of ₹ 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced ₹ 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~₹ 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29th, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to ₹ 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31st, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise ₹ 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1st, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman Al Banna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## **ROAD AHEAD**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

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

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

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

## **INDIAN MANUFACTURING INDUSTRY**

### **INTRODUCTION**

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

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market. Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

India is planning to offer incentives of up to ₹ 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aimed to create 100 million new jobs in the sector by 2022.

## **MARKET SIZE**

Manufacturing exports have registered highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US\$ 626.5 billion as per the quarterly estimates of the first quarter of FY22.

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

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.



## MARKET SIZE



## INVESTMENT

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

- According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2000-June 2023:
  - The automobile sector received FDI inflows of US\$ 35.14 billion.
  - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 21.48 billion.
  - The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 21.55 billion.
  - The Food Processing Industries received FDI inflows worth US\$ 12.15 billion.
- India's manufacturing sector activity continued to expand in August 2023, with the S&P Global Purchasing Managers' Index (PMI) rising to a three-month high of 58.6.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- The Index of Industrial (Production IIP) from April-July 2023 stood at 142.8.
- Capacity utilisation at manufacturing facilities was at a robust 74.3% in Q3 of FY23, up from 74% in Q2. Utilisation has held above the 72% mark since Q3 of FY22, indicating that the manufacturing activity is taking place at a brisk pace.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US\$ 295.21 billion.
- In FY23 (until February 2023), EPFO added 131 lakh net subscribers. The Employees' Provident Fund Organisation (EPFO) added 1,396,185 in February 2023.
- In October 2021, information technology major Zoho, announced that it will invest ₹ 50–100 crore (US\$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
- In August 2021, Wistron Corp. collaborated with India's Optimus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.
- In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.
  - Samsung Display Noida, which has invested ₹ 4,825 crore (US\$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.
- In April 2021, Bharti Enterprises Ltd. and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products.

## GOVERNMENT INITIATIVES

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

In the Union Budget 2023-24:

- Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023 to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
- As per the Union Budget 2023 – 23, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
- The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs 2 crore (US\$ 2,43,044) to ₹ 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from ₹ 50 lakh (US\$ 60,754) to ₹ 75 lakh (US\$ 91,132).
- Expenditure on fertilizer subsidy is estimated at ₹ 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of ₹ 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
- The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed bio-gas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
- To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithiumion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
- Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.

## ROAD AHEAD

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

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

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

## INDIAN FURNITURE INDUSTRY

- India Furnishing the World: 3X increase in India's furniture exports in April-January 2022-23 compared to the same period in 2013-14. The India furniture market is anticipated to achieve a CAGR of 10.9% during 2023-28 to reach \$32.7

Bn by 2026. The commercial sector is further sub-segmented into non contracting and contracting. The demand for furniture has been observed to majorly generate from northern and southern India.

- The import duty on furniture was increased from 20% to 25% to boost domestic manufacturing. BIS Standards on modular furniture were published by BIS in 2022 to enhance standardization in furniture and ensure product safety.
- India's Furniture market is valued at \$23.12 Bn in 2022, making it as the 5th largest producer and 4th largest consumer of furniture globally.
- India has recently concluded India-Australia Economic Cooperation and Trade Agreement (ECTA) and India-UAE Comprehensive Economic Partnership Agreement (CEPA), providing zero-duty market access opportunities for India-made furniture to these global markets (No change in other content)

#### **Few Key Reasons to invest in this sector:**

- Availability of Raw Material: India is the world's 2nd largest producer of timber & 6th largest producer of natural rubber.

#### **Others:**

- Large Furniture Ecosystem: Development of furniture hubs such as International Furniture Park in Tamil Nadu, upcoming International Furniture Clusters/Parks coming up in Karnataka, Madhya Pradesh, Uttar Pradesh and Andhra Pradesh.
- Logistics Infrastructure: Development of multimodal logistics parks (MMLP) across 35 nodes which will account for 60% of freight movement in the country and reduce freight cost per ton 4).
- Increasing Consumer Demand: 51% of India's population will be living in urban areas by 2047 up from 31% in 2010 which will lead to demand surge for furniture products.
- Availability of Competitive and Skilled labor: India boasts of a rich heritage of unique craftsmanship, woodwork, carpentry & furniture with regions like Jodhpur emerging as demand centers for the local industry.
- Proximity to Global Markets: India enjoys better transit time advantage for East Coast and European harbors; Average turnaround time (TRT) for ships across major ports in India has significantly reduced to around 2.7 days: 30-50 % (import cargo) and 20-70 % (export cargo).

#### **FDI Norms:**

- 100% FDI is allowed in this sector.

#### **Trade Scenario**

- India's contribution to Furniture Exports stood at ~\$3.5 Bn in 2022, growing at a CAGR of 15% (2018–22).
- There has been a 36% decline in furniture imports in the last three years.
- India's wood exports are reaching new heights with 2.53 X increase in exports from FY \$246 Mn in 2013-14 to \$623 Mn in FY 2022-23.

**<https://www.investindia.gov.in/sector/consumer-goods/furniture>**

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular “Fiscal” and “Fiscal Year” are to the Twelve-month period ended March 31 of that year.*

*You should carefully consider all the information in this Draft Red Herring Prospectus, including, “Risk Factors”, “Our Industry”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 23, 86, 149 and 179 respectively, before making an investment in the Equity Shares. In this section, any reference to the “Company” “we”, “us” or “our” refers to Omfurn India Limited.*

### OVERVIEW

Our Company was originally incorporated as “OM Vishwakarma Furniture Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated November 13, 1997 issued by the Registrar of Companies Mumbai, Maharashtra. Subsequently the name of our Company was changed to Omfurn India Private Limited vide shareholder’s approval on April 03, 2013 and fresh certificate of Incorporation dated April 21, 2013. Subsequently, the name of our Company was changed to Omfurn India Limited pursuant to conversion into public company vide Shareholders approval on May 30, 2017 and fresh certificate of Incorporation dated June 15, 2017 was issued to our Company by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is L20200MH1997PLC111887. The shares of our Company got listed with Emerge Platform of National Stock Exchange of India Limited through Initial Public Offer on October 13, 2017. For further details, please refer to chapter titled “Our History and Corporate Structure” on page 140 of this Draft Red Herring Prospectus.

Omfurn India Limited is manufacturer and supplier of Pre-Finished Wooden Doors and Modular Furniture in India. We have been in business since November 13, 1997, which gives us a quarter-century of experience in this industry. Since then, we have been reaching remarkable milestones in creation and innovation. We create a wide range of wooden doors and furniture for Modular Kitchens, Wardrobes, Vanities and Modern Office furniture through customized, system-based, or turnkey projects PAN India, got listed in NSE the year 2017.

Our Team consists of professionals specialized in their respective fields. A team of technical administrative, project personnel and engineers work in conjunction with architects, interior designers, management staff, etc., to offer the best accomplished furnished products.

We are deeply committed to our duty to nature and our planet Earth. We believe in providing environmentally sustainable products to protect our heritage for future generations. For this purpose, we are Green Building Certified and have completed Greenfield Projects in India.

Our manufacturing factory in Umbergaon has a total area of 1,61,460 sq. ft. to increase manufacturing capacity and began manufacturing of furniture for premium hotels. The factory is equipped with the latest state-of-the-art CNC woodworking machine from Germany and Italy. We also have an in-house design facility that provides complete furniture solutions, keeping in mind constant evolutions in international designs.

We maintain our quality standards and have proclaimed certifications ISO 9001, 14001, and 45001 under the strict certification rules. We believe our world-class infrastructure is designed to manufacture high-quality furniture products efficiently and effectively. Our in-house manufacturing factory in Umbergaon spans a total area of 1,61,460 sq. ft., which is a validation of our commitment to providing our customers with the best possible products.

Our factory is equipped with state-of-the-art CNC woodworking machines from Germany and Italy. These machines are known for their precision and efficiency, which allow us to manufacture furniture products with exceptional accuracy and quality. Our in-house design facility is also an integral part of our infrastructure, as it enables us to provide complete furniture solutions that are in line with the latest international design trends. We conduct comprehensive testing of raw materials in our quality laboratory at our factory in accordance with both Indian Standards and our internal specifications. Our expert testing helps us to document the quality and safety of our furniture, which strengthens consumer trust in our brand. By ensuring that all our raw material meet strict quality standards, we can produce furniture products that are not only beautiful but also safe and durable

In addition to our quality laboratory, we also have a dedicated display area in our factory that showcases a wide range of our products. This area provides customers with valuable information about our products, aspirational ideas, and a sneak peek into the value that our furniture can add to their lives. Our display area is designed to help customers make informed decisions about their furniture purchases and to provide them with a memorable and informative shopping experience. We believe that by offering our customers a comprehensive and engaging shopping experience, we can help build long-term relationships based on trust and quality.

Overall, our infrastructure is a key factor that sets us apart from our competitors. We are constantly investing in the latest technology and equipment to ensure that we are at the forefront of the furniture manufacturing industry and that our customers receive only the best products from us.

**Our Mission:** Achieving set corporate objectives and goals to offer world class furniture, solutions with innovative design based on price, quality and services

**Our Vision:** To create a company that always delivers quality products with a focus and commitment towards total customer satisfaction so that we remain a benchmark in the furniture industry

## **OUR COMPETITIVE STRENGTH**

We believe the following competitive strengths contribute to our success and position us well for future growth:

### ***Experienced Management and Motivated Team***

We believe that, leadership is the result of team work allowing issues and ideas to be developed, widening our competitive advantage. We have grown steadily under the vision, leadership and guidance of our Promoters, Mr. Rajendra Chitbahal Vishwakarma and Mr. Mahendra Chitbahal Vishwakarma. Our Promoters have played a key role in developing our business and we benefit from their industry expertise, vision and leadership.

### ***Skilled and dedicated manpower***

Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the industry enable us to continue to take advantage of both current and future market opportunities. We take pride in relating our success to our employees for their consistent efforts and dedication they have shown towards the Company. We require application of high levels of technology at key stages of design and manufacturing processes. We have, therefore, been focused on recruiting, training and retaining a highly skilled employee base.

### ***Range of Product Offerings***

The Company offers a range of modular furniture which broadly includes hotel furniture, office furniture, school furniture, wooden shutter doors & door frames. The range of products that Company offers ensures the requirement of customer is fulfilled at one spot.

### ***Compliance with Quality Standards***

Our Company has received ISO 9001, 14001 and OHSAS 18001 Certifications for the quality of our products. We believe that such certification would allow us to market our products and it also provides assurance to our domestic as well as overseas customers for the quality of our products.

### ***Existing customer relationship***

We believe that we constantly try to address customer needs which help us to maintain a long term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

### ***Strong & Long term relationship with our Clients***

Customer satisfaction and long-standing relationship with clients is the key to success for any organization. Our on time delivery and quality product helps us maintain strong relationship with our customers and also gives us competitive strength

against our peers. We believe that we constantly try to address customer needs which help us to maintain a long term working relationship with our customers and improve our customer retention strategy.

## **OUR BUSINESS STRATEGY**

The Key elements of our business strategy are as follows:

### ***Continue to develop customer relationships***

We plan to grow our business primarily by increasing the number of customers, as we believe that increased customer relationships will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more customers. Our Company believes that our business is a by-product of relationship. Our Company believes that a long-term customer relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

### ***Improving functional efficiency & quality standards***

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through technology and design improvements. We are committed to relentlessly focus on improved quality through constant upgradation & development.

### ***Vision and Mission of our Business***

We strive for effectiveness and high level of productivity in our actions and work performance. We are determined to grow as individuals in the working environment as well as improving personal well-being. We strive to enhance the interior and fit-out industry by providing all possible solutions and expertise to projects.

### ***Continue to recruit, retain and train qualified personnel***

We have assembled an experienced management team with expertise in areas that are important to our business. We believe the successful implementation of our business and growth strategies depends on our ability to hire and cultivate experienced, motivated and well trained members of our management and employee teams. We intend to continue to recruit, retain and train qualified personnel.

## **OUR PRODUCTS**

### **1. Doors**

Omfurn India Limited is manufacturers and suppliers of high-quality doors in India. With 25 years of experience in this industry, we have established ourselves as the go-to-choice for business and homeowners alike who want functional, stylish and reliable door.

We take pride in our ability to provide customized solutions that meet the unique needs of our customers. We use best raw materials and polish for an exceptional finish on our products. We manufacture solid wooden door frames from Red Meranti, Ghana Teak, Steam Beach, and BWP Engineered wood such as LVL & Ply. Shutters are solid core infill and chipboard infill. Shutters are finished with laminates or natural veneer. Solid wood upon arrival seasoned in an automatic seasoning plant, machining of lock slot, hinges slot, keyhole and handle hole on the shutter is done automatically on the CNC Rover machine in our factory.

When you choose our superior quality wooden doors and frames, you'll enjoy a factory-finished look that's second to none in terms of durability and style. Installing a complete door frame with door and hardware is a breeze with the help of one carpenter and helper. This fast and efficient installation process is especially beneficial for developers who value time savings and streamlined processes.

**a) Fire Resistant Door**



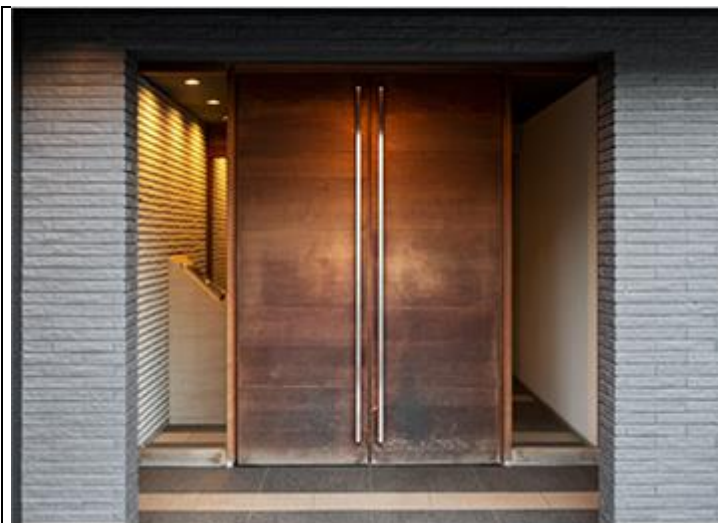
As a premier manufacturer of Fire-Resistant Wooden Doors in India, our doors are engineered with exceptional quality and are designed to meet the rigorous standards of BS: 476 Part 20 & 22 and IS 3614 Part 2. Offering fire ratings of 60 and 120 minutes, these doors are an integral part of any building's passive fire protection system, providing critical protection and safeguarding against the spread of fire and smoke. Our doors are crafted with intumescent strips that expand to seal gaps, ensuring that fire and smoke cannot penetrate through. We have a passive fire certificate Class A from the Maharashtra Fire Service Department and can issue Form A after job completion for obtaining Fire NOC.

**b) Laminated Doors**



Our doors are available in a variety of colours, textures, and finishes, and are highly durable and resistant to scratches, moisture, and abrasions. Whether for commercial or residential spaces, our laminated doors offer exceptional functionality, style, and durability.

**c) Veneer Door**



Our veneer doors are made from high-quality materials and are designed to exceed industry standards. They are available in a range of sizes, finishes, and designs, and feature a natural wood finish that adds warmth and sophistication to any setting. Our veneer doors are easy to install and maintain.

#### d) Door Frames



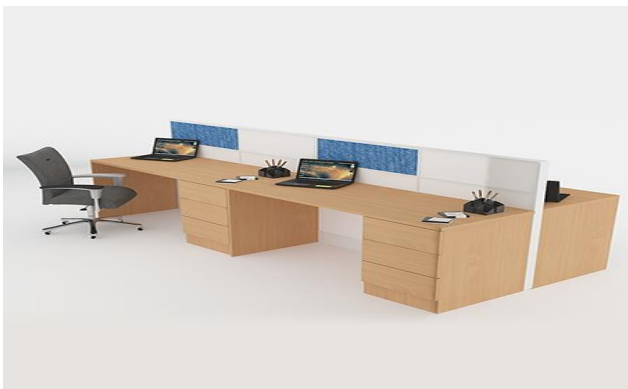
Our frames are crafted with premium materials and undergo rigorous testing to ensure that they meet industry standards. Our door frames come in a range of beautiful finishes and colours such as PU Finish, PU Paint Laminated Frames which are guaranteed to enhance any interior or exterior design scheme.

#### 2. Office Solutions: -

Our office solutions are designed to create functional and stylish workspaces that maximize productivity and promote a professional image. We offer a wide range of furniture and accessories to suit any office space, from executive suites to open plan workstations.

Our solutions include ergonomic chairs, adjustable desks, storage solutions, and acoustic panels to reduce noise and increase privacy. We also offer customized solutions for branding and colour schemes, as well as installation services for a seamless and stress-free experience.

With our office solutions, you can create a workspace that is both functional and visually appealing, helping you and your team work smarter, not harder. Additionally, we prioritize the safety and well-being of our clients and incorporate social distancing norms and comfortable design into all of our office solutions.



**Short Office Desk**



**Waiting Lounge**



**Complete Office Floor**



**Smart Desk**



### 3. Modular Kitchens: -

We offer a range of modular kitchens that are tailored for individual needs and preferences. Whether customer prefer a sleek, modern design or a more traditional aesthetic, our team of experts assist the customers to make right decision.

We use only the highest quality materials in the construction of our modular kitchens, ensuring they stand up to the test of time, with a wide range of finishes and colours to choose from, its easy to find the perfect match for project's interior decor.

At our Company, we're committed to delivering superior craftsmanship and unparalleled customer service. We work closely with customer at every step of the way to ensure they get the modular kitchen of their dreams.



**Straight Kitchen**



**Parallel Kitchen**



**L Shape Kitchen**



**U Shape Kitchen**

### 4. Modular Wardrobe/ Vanity: -

Our modular wardrobe and vanity sets are designed to provide the perfect combination of comfort, style, and functionality. Each set is crafted with the utmost care and attention to detail, using only the finest materials and manufacturing techniques.

Our modular sets are customizable to fit needs and space. With options for drawers, shelves, and other storage solutions, user can create a bedroom that is both stylish and practical. Our sets are designed to maximize space and keep bedroom organized and clutter-free.



**Slider Door Wardrobe**



**Wardrobe with Dressing Table**



**Glass Door Wardrobes**



**Traditional Wardrobe**

#### 5. Hotel Furniture: -

We are manufacturing and supplying the complete furniture required in a hotel room to many luxury hotel chains and operators in the Country.

#### 6. School Furniture: -

We are manufacturing and supplying the complete furniture required in a school room to government and private schools in the Country. We have supplied our school furniture under government's elementary educational scheme "Sarva Siksha Abhiyan".

### PRODUCTS WISE REVENUE

Doors are our major product contributing in revenue from operations, we have categorized our products into two Doors and Others, amount wise and percentage wise details are given in the below tables:

#### Amount wise details

(₹ in Lakh)

Products	As on September 30, 2023	FY 2022-2023	FY 2021-2022	FY 2020-21
Doors	3,674.33	4,552.02	2,181.69	1,259.49
Others	7,43.66	2,471.37	902.40	785.41
<b>Total</b>	<b>4,417.99</b>	<b>7,023.40</b>	<b>3,084.09</b>	<b>2,044.90</b>

#### % wise details

Products	As on September 30, 2023	FY 2022-2023	FY 2021-2022	FY 2020-21
Doors	83.17%	64.81%	70.74%	61.59%
Others	16.83%	35.19%	29.26%	38.41%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ in Lakh)

Key Financial Performance	As on September 30, 2023	FY 2022-2023	FY 2021-2022	FY 2020-21
Revenue from operations <sup>(1)</sup>	4,417.99	7,023.40	3,084.09	2,044.91
EBITDA <sup>(2)</sup>	552.65	829.99	316.53	203.04
EBITDA Margin <sup>(3)</sup>	0.13	0.12	0.10	0.10
PAT <sup>(4)</sup>	289.16	414.87	59.81	(99.41)
PAT Margin <sup>(5)</sup>	0.07	0.06	0.02	(0.05)
RoE(%) <sup>(6)</sup>	10.10	16.12	2.77	(4.74)
RoCE (%) <sup>(7)</sup>	10.28	19.36	5.39	1.79

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

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

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

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

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

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

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

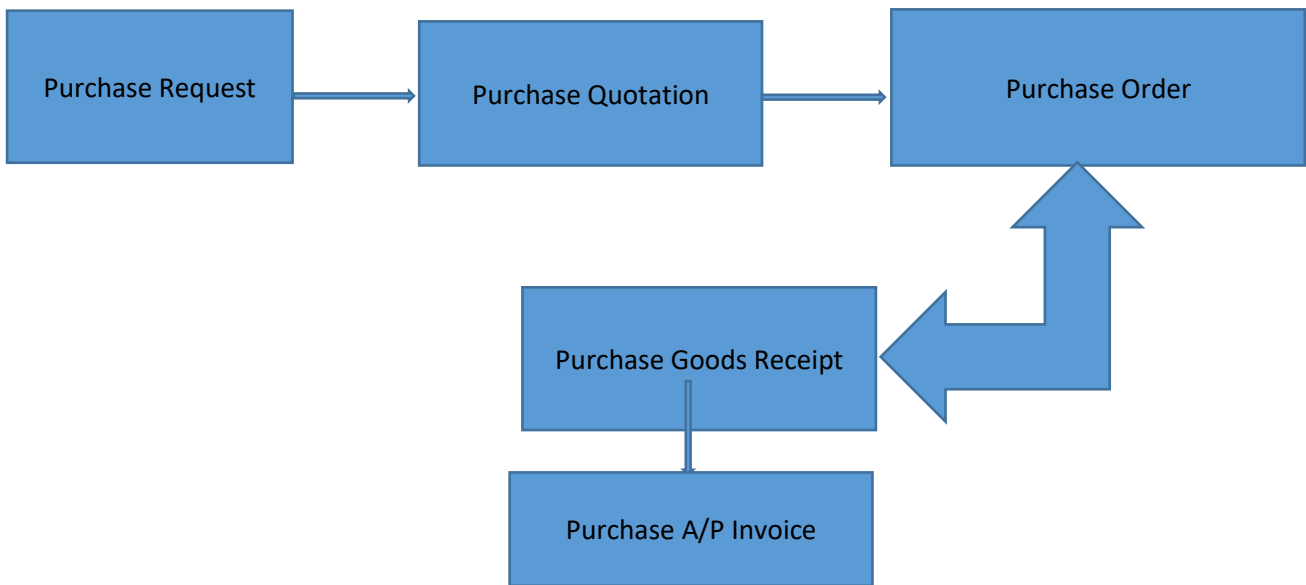
## OUR MANUFACTURING PROCESS

Our Manufacturing process entails and covers the entire process stated in the flow chart. To brief about our Manufacturing process the following steps takes place:

<p><b>1. Internal Door Manufacturing</b></p> <p>1.1 Cut flush door and laminate as per the size</p> <p>1.2 Fix hard wood lipping patti on the edges using Edgebander</p> <p>1.3 Flush door sanding</p> <p>1.4 Fix laminate using adhesive on hot press</p> <p>1.5 Trim excess laminates on the edges</p> <p>1.6 Make hardware slots</p>	<p><b>2. FRD Door Manufacturing</b></p> <p>2.1 Make hardwood/ Exterior Grade MDF stile frame</p> <p>2.2 Fix Mineral Board on one side of stile frame and on the bottom edge</p> <p>2.3 Apply Sealant on the mineral board</p> <p>2.4 Fill mineral wool in between the gaps of stile frame on other side</p> <p>2.5 Fix engineered mineral board on the other side and apply sealant</p> <p>2.6 Press Veneer on both sides.</p> <p>2.7 Apply wooden lipping patti on all edges</p> <p>2.8 Make hardware slots.</p>
<p><b>3. Polish on Laminate Door Edges</b></p> <p>3.1 Fill the gaps on the edges with filling putti</p> <p>3.2 Sanding</p> <p>3.3 Staining on the edges</p> <p>3.4 Apply Sealer Coat</p> <p>3.5 Sanding</p> <p>3.6 Apply shade matching</p> <p>3.7 Apply final coat</p>	<p><b>4. Polish on Veneer</b></p> <p>4.1 Sanding</p> <p>4.2 Staining on surface</p> <p>4.3 Apply first sealer coat</p> <p>4.4 Fill gaps using filling putti</p> <p>4.5 Sanding</p> <p>4.6 Apply second sealer coat</p> <p>4.7 Sanding</p> <p>4.8 Apply shade matching</p> <p>4.9 Apply final coat</p>
<p><b>5. Wood Seasoning</b></p> <p>5.1 Check for the moisture content of the woods.</p> <p>5.2 If the moisture content is more than 55% keep the wood for air drying.</p> <p>5.3 Afterwards, apply bituminous paint on the ends of wood.</p> <p>5.4 Load the woods into the Kiln Drying seasoning plant.</p> <p>5.5 Increase the temperature inside chamber by 1 degree in every 4 hours.</p> <p>5.6 Increase the temperatures till we reach 75 degrees Celsius.</p> <p>5.7 Remove the woods from the seasoning plant.</p>	<p><b>6. Frame Manufacturing</b></p> <p>6.1 Raw cutting as per size</p> <p>6.2 Filing, Rebate Cutting and Grooving on six spindle moulder.</p> <p>6.3 Sanding on Profile Sander</p> <p>6.4 45° angle cutting</p> <p>6.5 Cutting for making Miter Joints</p>

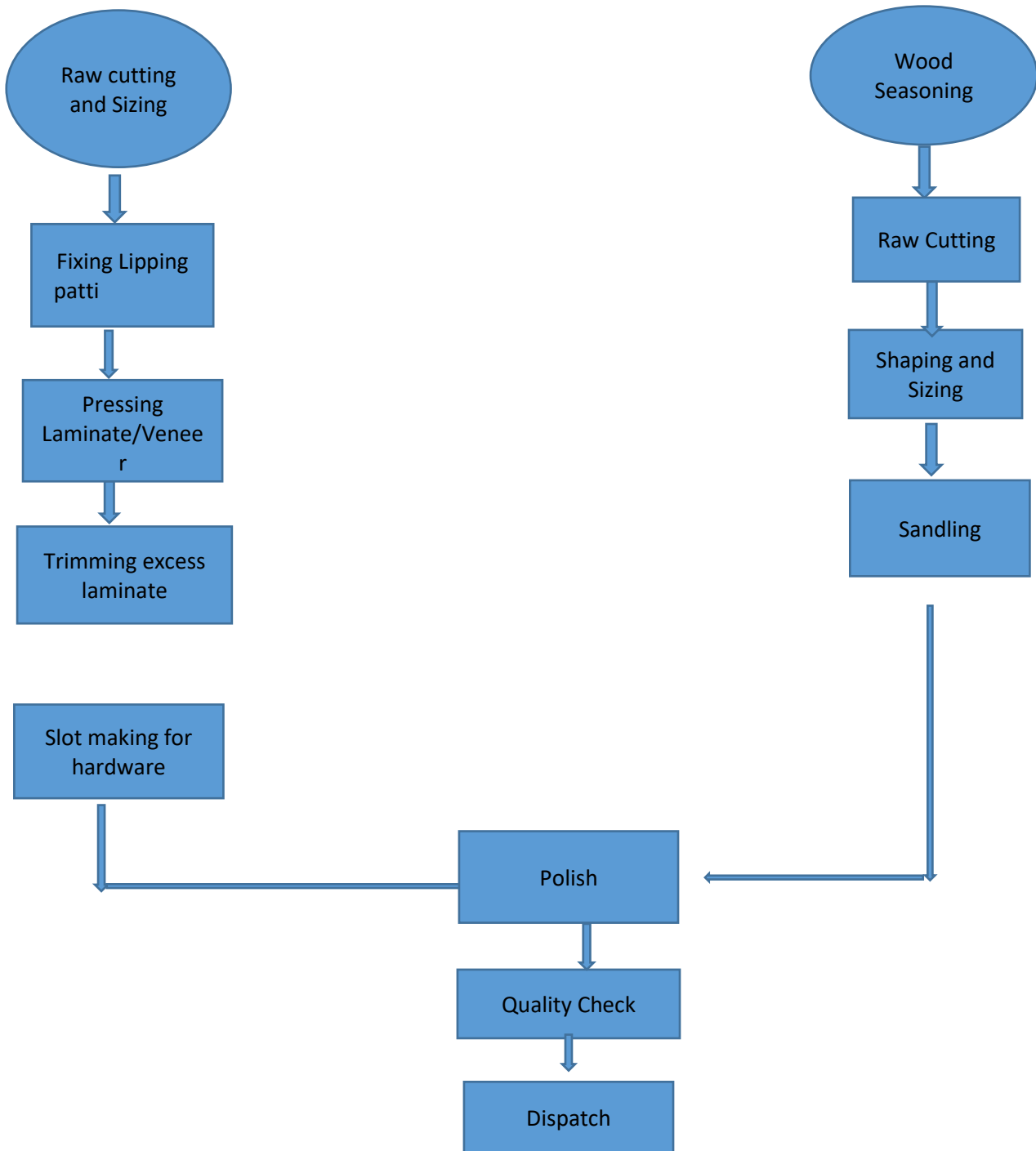
<p><b>7. Anti-Termite Treatment and Polish on Frame</b>  7.1 Apply Anti-Termite for wood protection.  7.2 Staining  7.3 Apply first sealer coat  7.4 Apply Black Japan paint on back side of frame  7.5 Fill gaps using filling putti  7.6 Surface Sanding  7.7 Apply second sealer coat  7.8 Sanding  7.9 Apply shade matching  7.10 Apply final coat</p>	
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**PURCHASE PROCESS FLOW CHART**



## PROCESS FLOW CHART

### SHIUTTER MANUFACTURING FRAME MANUFACTURING



## OUR INFRASTRUCTURE

We believe that our state-of-the-art infrastructure, is meticulously designed to manufacture high-quality furniture products with efficiency and precision. Our expansive in-house manufacturing facility in Umbergaon spans total area of 1,61,460 sq. ft.

Equipped with cutting-edge CNC woodworking machines sourced from industry leaders in Germany and Italy, our factory stands as a beacon of technological excellence. Renowned for their precision and efficiency, these machines enable us to craft furniture products with exceptional accuracy and uncompromising quality. Complementing our manufacturing prowess is our in-house design facility, an integral component that allows us to offer complete furniture solutions aligned with the latest international design trends.

A cornerstone of our commitment to excellence lies in the comprehensive testing of raw materials conducted in our quality laboratory. Adhering to both Indian standards and our internal specifications, our expert testing ensures the documentation of the quality and safety of our furniture. This rigorous process strengthens consumer trust in our brand, assuring them that our products are not only aesthetically pleasing but also safe and durable.

Our commitment to quality is underscored by the prestigious ISO 9001, 14001, and 45001 certifications we hold. These certifications are a testament to our unwavering dedication to maintaining the highest standards of quality, environmental sustainability, and occupational health and safety in our manufacturing processes.

Beyond our quality laboratory, we have curated a dedicated display area within our factory, showcasing a diverse range of our products. This area serves as an informative space, providing customers with valuable insights into our products, aspirational ideas, and a glimpse into the transformative value our furniture can add to their lives. We envision this display area as more than a showroom; it is a space designed to empower customers to make informed decisions about their furniture purchases, creating a memorable and engaging shopping experience.

In essence, our infrastructure stands as a key differentiator, setting us apart from competitors. Committed to staying at the forefront of the furniture manufacturing industry, we consistently invest in the latest technology and equipment. Our goal is clear: to ensure that our customers receive nothing but the best products, fostering long-term relationships built on trust and quality.

### Factory at Umbergaon



**World Class Quality Laboratory at our Factory**

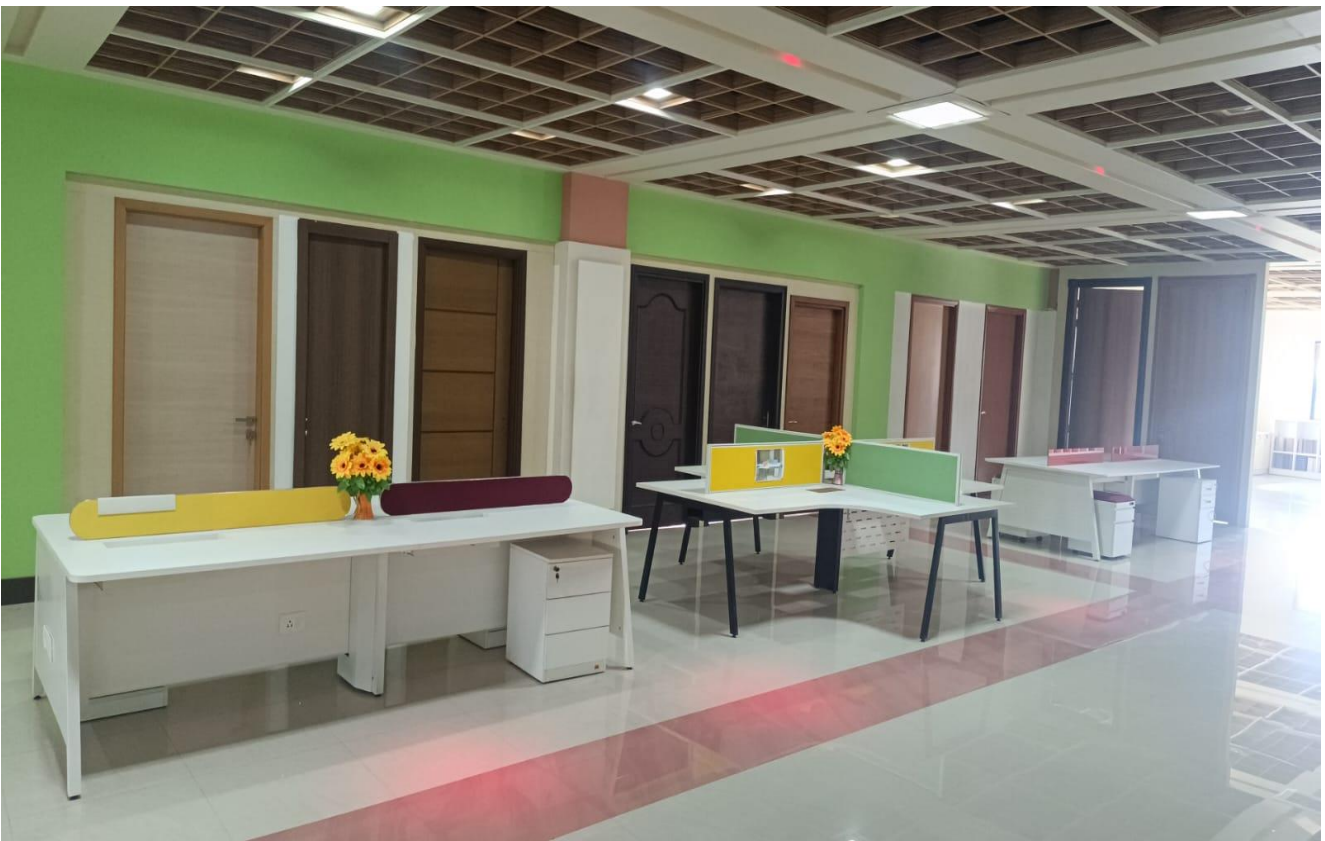


**Solar Power Plant an initiative towards green energy**



### Modern customer experience lounge at factory premises

We have set up a fully equipped customer experience lounge at our factory premises, where our respected customers who visits our manufacturing setup quite often for their business needs can also experience the outcome of finished products at our customer experience lounge. Few glimpses of the lounge as follows: -





Engineering Infra of Our Company



CNC Machine



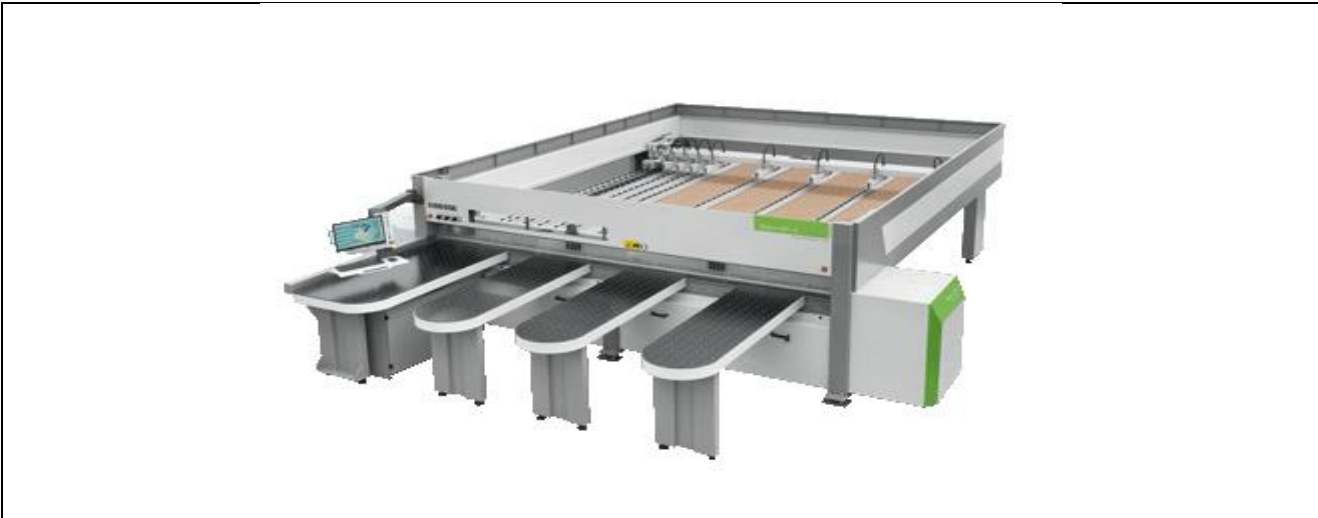
CNC Rover New



Venspray



Edge Bending



Beam Saw

## SWOT ANALYSIS

Strengths	Weaknesses
<ol style="list-style-type: none"> <li>1. Product Quality and Innovation: <ul style="list-style-type: none"> <li>• High-quality craftsmanship and innovative designs differentiate the brand.</li> <li>• Continuous product innovation to meet evolving market demands.</li> </ul> </li> <li>2. Customization Capabilities: <ul style="list-style-type: none"> <li>• Ability to offer customized solutions to cater to diverse customer needs.</li> <li>• Flexibility in design and materials, allowing for a wide range of options.</li> </ul> </li> <li>3. Established Brand Reputation: <ul style="list-style-type: none"> <li>• Strong brand recognition and positive reputation for reliability and durability.</li> <li>• Successful track record of completing projects for major clients.</li> </ul> </li> <li>4. Wide Distribution Network: <ul style="list-style-type: none"> <li>• Extensive distribution network across key regions in India.</li> <li>• Efficient logistics for timely and widespread product delivery.</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. Dependence on Raw Materials: <ul style="list-style-type: none"> <li>• Vulnerability to fluctuations in the cost and availability of raw materials like wood.</li> <li>• Potential impact on pricing and profit margins due to market dynamics.</li> </ul> </li> <li>2. Market Dependency: <ul style="list-style-type: none"> <li>• High dependence on the construction and real estate sectors.</li> <li>• Economic downturns can adversely affect demand for luxury and non-essential items.</li> </ul> </li> <li>3. Limited Online Presence: <ul style="list-style-type: none"> <li>• Limited online visibility and e-commerce capabilities.</li> <li>• Potential loss of market share to competitors with a stronger online presence.</li> </ul> </li> </ol>
Opportunities	Threats
<ol style="list-style-type: none"> <li>1. Growing Real Estate Sector: <ul style="list-style-type: none"> <li>• Tap into the expanding real estate market in India.</li> <li>• Strategic partnerships with real estate developers for large-scale projects.</li> </ul> </li> <li>2. E-commerce Expansion: <ul style="list-style-type: none"> <li>• Expand and enhance the online sales platform to reach a broader consumer base.</li> <li>• Leverage digital marketing to increase visibility and attract online customers.</li> </ul> </li> <li>3. Green and Sustainable Practices: <ul style="list-style-type: none"> <li>• Embrace environmentally friendly practices to meet the increasing demand for sustainable products.</li> <li>• Highlight eco-friendly certifications and initiatives.</li> </ul> </li> <li>4. Diversification: <ul style="list-style-type: none"> <li>• Explore opportunities to diversify product offerings within the furniture and interior design space.</li> <li>• Introduce complementary products to capture a larger share of the market.</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. Intense Market Competition: <ul style="list-style-type: none"> <li>• Presence of numerous competitors, including both established and emerging players.</li> <li>• Pricing pressures due to competition in a fragmented market.</li> </ul> </li> <li>2. Regulatory Challenges: <ul style="list-style-type: none"> <li>• Adherence to evolving environmental regulations and standards.</li> <li>• Compliance with stringent quality and safety standards.</li> </ul> </li> <li>3. Economic Uncertainties: <ul style="list-style-type: none"> <li>• Economic downturns affecting consumer spending on non-essential items.</li> <li>• Fluctuations in currency exchange rates impacting import/export costs.</li> </ul> </li> <li>4. Supply Chain Disruptions: <ul style="list-style-type: none"> <li>• Vulnerability to disruptions in the supply chain, including transportation and logistics challenges.</li> <li>• Dependence on third-party suppliers for key components.</li> </ul> </li> </ol>

## SALES MARKETING AND DISTRIBUTION

Our team identifies and prioritize key customer segments, such as residential builders, commercial projects, interior designers, and retail consumers. We tailor our sales approach to address the unique needs and preferences of each segment. We put great emphasis on cultivating strong relationships with architects, contractors, and interior designers. We position our products as the solution for modern and aesthetic interior design needs. We highlight the flexibility of your products for customization to meet specific project requirements. We offer design consultations and assistance to clients to showcase the versatility of your pre-finished wooden doors and modular furniture. We have invested in a user-friendly and visually appealing website showcasing your product range, customization options, and completed projects. We also have established a robust logistics system to ensure timely and safe delivery of products. Work closely with reliable logistics partners to optimize the supply chain.

By integrating these strategies, you can create a holistic approach that not only boosts sales but also strengthens your brand presence and customer satisfaction in the competitive market for pre-finished wooden doors and modular furniture in India.

## **MARKETING STRATEGY**

We intend to focus on following marketing strategies:

### *Market Expansion and Customer Base Growth:*

Our primary focus is on consolidating our presence in existing markets while actively seeking opportunities for expansion. By implementing targeted strategies, we aim to not only retain our current customer base but also attract new clients who appreciate the quality and innovation inherent in our pre-finished wooden doors and modular furniture.

### *Value-Added Product Emphasis:*

We recognize the importance of delivering products that go beyond expectations. Our commitment to excellence extends to emphasizing value-added features in our offerings, ensuring that each product stands out for its quality, design, and functionality. This approach aligns with our dedication to meeting and exceeding the evolving needs of our customers.

### *Efficient Goods Delivery for Customer Satisfaction:*

Customer satisfaction is paramount, and we are dedicated to achieving this by optimizing our logistics and delivery processes. Through streamlined operations, we aim to ensure that our pre-finished wooden doors and modular furniture reach our customers promptly and in impeccable condition, enhancing overall satisfaction with our brand.

### *Digital Marketing Reinforcement:*

In the digital realm, we are committed to enhancing our online presence. Our professional team is actively engaged in the redesign of our website, brochures, and company profile, ensuring a modern and engaging representation of our products and brand ethos. Regular updates on social media platforms further contribute to keeping our audience informed and engaged, reflecting our commitment to staying connected with our customer base.

These strategies collectively underscore our dedication to providing unparalleled products and services in the realm of pre-finished wooden doors and modular furniture, reinforcing our standing as a reliable and innovative choice in the Indian market.

## **COMPETITION**

We face significant competition for our products from both established brands in the domestic market and smaller players in the unorganized sector. The competitive landscape varies across products and regions. Our primary rivals are determined by factors such as product range, quality, and price, taking into account considerations such as reputation, regional preferences, and customer convenience.

In the decision-making process for our clients, key parameters include product range, quality, and price, with the latter often being the decisive factor in most transactions. We firmly believe that several factors influence competition in our industry, including customer relationships, reputation, the capabilities of our workforce, market focus, and the comparative aspects of quality and pricing.

To maintain a competitive edge, we consistently strive to enhance our customer relationships, strengthen our reputation, invest in employee capabilities, focus on market needs, and ensure the continued high quality and competitive pricing of our products.

## **HUMAN RESOURCE**

We believe that our employees are key contributors to our business success. To achieve this, 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 it's kind of business. As on November 30, 2023 we have 221 employees comprising of administrative, skilled, semi-skilled and unskilled. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## DEPARTMENT WISE EMPLOYEE BREAK-UP

Department	No. of Employees
Management	5
Human Resource Department	1
Store	10
Production	15
Quality and Maintenance	3
Finance and Accounts	7
Modular Furniture	20
Finishing and Packing	37
House Keeping	7
Wooden Door Frame & Shutter	18
Maintenance	1
FRD	18
Eng. Wood Door Frame	19
Sales and Marketing	4
Design	2
Projects	46
Transport	2
Purchase	3
Admin	2
Compliance	1
<b>Total</b>	<b>221</b>

## INFORMATION TECHNOLOGY

Company is using Enterprise Resource Planning (ERP) Systems, Supply Chain Management (SCM) Software, Customer Relationship Management (CRM), CAD/CAM Software IoT (Internet of Things), Quality Management Systems (QMS) Warehouse Management Systems (WMS) to enhance our performance and efficiency.

## ENVIRONMENTAL, HEALTH AND SAFETY

We are subject to extensive health, safety, and environmental laws and regulations which govern our services and facilities. For further details, please refer section titled 'Key egulations and Policies' on page 118 in compliance with these requirements, we have adopted certain policies to address, among others, the generation, handling, storage, transportation, treatment, and disposal of toxic or hazardous bio-medical materials and waste, waste water discharges, and workplace conditions. Our employees are trained and provided with personal protective equipment while handling biological specimens and emphasis is also laid on adherence to national and local safety guidelines, including that of biomedical waste disposal. We also encourage employees to be actively involved in occupational health and safety. All new employees receive quality, safety, and health and environment inductions. Potentially hazardous conditions are identified and reported continuously through the alert process.

## OUR MAJOR CUSTOMERS

The following is the revenue breakup on a restated basis from the top five and top ten customers of our Company is as follows:

(₹ in Lakh)

Particulars		For the period ended September 30, 2023		FY 2022-23		FY 2021-22		FY 2020-21	
		Amount	%	Amount	%	Amount	%	Amount	%
Top 5 customers	5	2,705.79	61.25%	3,581.91	50.99%	2,108.81	68.38%	1,205.98	58.97%
Top 10 customers	10	3,555.21	80.47%	5,220.60	74.32%	2,736.56	88.74%	1,671.64	81.74%

## OUR MAJOR SUPPLIERS

The following is the revenue breakup on a restated basis from the top five and top ten suppliers of our Company is as follows:  
(₹ in Lakh)

Particulars	For the period ended September 30, 2023		FY 2022-23		FY 2021-22		FY 2020-21	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 5 suppliers	799.19	23.63%	1,011.80	19.35%	297.22	14.37%	353.79	21.37%
Top 10 suppliers	1,182.09	34.95%	1,616.74	30.92%	508.23	24.55%	533.26	32.19%

## UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office is located at 109, Gundecha Industrial Complex, Akrurli Road, Kandivali East, Mumbai- 400101, Maharashtra, which is well equipped with computer systems, servers, relevant software and other communication equipments, uninterrupted power supply, internet connectivity, security and other facility, which are required for our business operation to functions smoothly.

We have our manufacturing unit located at Plot No. 6 to 8, 52 Hector, Expansion Area, New GIDC, Umbergaon- 396171, District Valsad, Gujarat and spans a total area of 1,61,460 sq. ft.

### Power

The power requirement at the Manufacturing Unit is 200KVA, which is met by Dakshin Gujarat Vij Company Limited. The Company has also made an application for additional 100KVA. We have also installed a DG set of 62.5KVA.

Company is using commercial electricity from Adani Electricity in its registered office.

### Water

Our manufacturing operations require limited amount of water and the requirement of water at manufacturing Unit is met by Umargam Notified Area Authority.

### Fuel

Our Manufacturing operations uses Diesel as fuel for DG Sets, if required.

## OUR PROPERTIES

The following table sets forth the significant properties owned by us:

Location of the Property	Name of the Seller	Consideration (₹ In Lakh)	Usage	Title
Unit No. 305, 3rd Floor Building No. 06 Western Edge II, Village Maghathane, Dattapada Road, Borivali (East), Mumbai- 400066.	Kanakia Spaces Private Limited	₹ 369.75	Rented to ABS Fujitsu General Private Limited	Mortgaged to Union Bank of India

The following table sets for the properties taken on long term lease:

Location of the property	Document and Date	Licensor / Lessor	Lease period	Status
Plot No. 6, 52 Hector, Expansion Area, New GIDC, Umbergaon- 396171, Gujarat.	Lease Agreement dated September 20, 2004	Gujarat Industrial Development Corporation	For a Term of 99 Years from August 16, 2004.	Mortgaged to Union Bank of India
Plot No. 7 & 8, 52 Hector, Expansion Area, New GIDC, Umbergaon- 396171, Gujarat	Lease Agreement dated January 13, 2005	Gujarat Industrial Development Corporation	For a Term of 99 Years from December 30, 2005	Mortgaged to Union Bank of India

The following table sets for the properties taken on lease / rent by us:

All the agreements are mentioned in the table are leave and licence agreements, taken on lease by the Company.

Location of the property	Date	Licensor / Lessor	Lease Rent/ License Fee (in ₹)	Lease period	Usage
Residential Flat No 203, 2nd Floor, Plot No. C-22, New GIDC, Umbergaon, Tal. Umbergaon 396171, Dist. Valsad, Gujarat	September 30th, 2023	Mr. Ashutosh S Upadhyay	₹4500/- with Maintenance charges with 10% increment after expiry of 11 months	October 1st 2023 to August 31st 2024	Staff Residence
Unit No. 107, 1st Floor Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai 400101	February 25th, 2023	Mr. Mahendra C. Vishwakarma	₹64,100/- and shall increase by 5% after completion of 24 months from commencement date	March 1st 2023 to March 2026	Office Use
Room No. 2767, Oriental Colony, Gandhiwadi, Umbergaon 396171, Dist. Valsad	November 16 <sup>th</sup> , 2023	Mr. Manoj Manikant Jha	₹2000/- with Maintenance Charges	December 1st 2023 to October 31 <sup>st</sup> 2024	Staff Residence
Room No. 2767, (Room No. 2) Oriental Colony, Gandhiwadi, Umbergaon 396171, Dist. Valsad	April 20th, 2023	Mr. Manoj Manikant Jha	₹2000/- with Maintenance Charges	April 20th 2023 to March 19th 2024	Staff Residence
Unit No. 110, 1st Floor, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai 400101	February 25th 2023	Mrs. Maltidevi Mahendra Vishwakarma	₹64,100/- and shall increase by 5% after completion of 24 months from commencement date	March 1st 2023 to March 2026	Office Use
Unit No. 109, 1st Floor, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai 400101	February 25th 2023	M <sup>re</sup> Manbhavatevi Rajendra Vishwakarma	₹64,100/- and shall increase by 5% after completion of 24 months from commencement date	March 1st 2023 to March 2026	Registered Office
Room No-6, Pragati Nagar, Gandhiwadi Umbergaon 396170, Dist. Valsad, Gujarat	November 16th, 2023	Mr Palkdhari Srinath Yadav	₹2500 with Maintenance Charges	November 1, 2023 to September 30, 2024	Staff Residence

Unit No- 106, 1st Floor, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai	February 25th, 2023	Mr. Rajendra C. Vishwakarma	₹80,000 and shall increase by 5% after completion of 24 months from commencement date	March 1st 2023 to March 2026	Office Use
Room No. 101 & 104, Hari Om Chawal, Pragati Nagar, Near Machhi Bazar Road, Gandhiwadi, Umbergaon 396170, Dist. Valsad	November 16th, 2023	Mrs Ramkala Manikant Jha	₹5000/- which should be paid by 10th day of every month	June 25th, 2023 to May 24th, 2024	Staff Residence
Room No. 102 & 105, Hari Om Chawal, Pragati Nagar, Near Machhi Bazar Road, Gandhiwadi, Umbergaon 396170, Dist. Valsad	November 16th, 2023	Mrs Ramkala Manikant Jha	₹5000/- which should be paid by 10th day of every month	October 1st, 2023 to August 31st 2024	Staff Residence
Room No. 103, Hari Om Chawal, Pragati Nagar, Near Machhi Bazar Road, Gandhiwadi, Umbergaon 396170, Dist. Valsad	November 16th, 2023	Mrs Ramkala Manikant Jha	₹2500/- which should be paid by 10th day of every month	November 21st, 2023 to October 20th 2024	Staff Residence
Room No. 107, Hari Om Chawal, Pragati Nagar, Near Machhi Bazar Road, Gandhiwadi, Umbergaon 396170, Dist. Valsad	August 2nd, 2023	Mrs Ramkala Manikant Jha	₹2500/- which should be paid by 10th day of every month	August 1st 2023 to June 30th 2024	Staff Residence
Room No. 206 & 207, Hari Om Chawal, Pragati Nagar, Near Machhi Bazar Road, Gandhiwadi, Umbergaon 396170, Dist. Valsad	January 31st, 2023	Mrs Ramkala Manikant Jha	₹5000/- which should be paid by 10th day of every month	February 1st 2023 to December 31st 2023	Staff Residence

## CAPACITY AND CAPACITY UTILIZATION

Set forth below is the detail of Product wise installed and utilized capacity of our manufacturing unit for the last three years.

### A. Wooden / Laminated Door Frame with shutter

Sr. No.	Particulars	Financial Years/Period		
		2020-21	2021-22	2022-23
<b>Wooden / Laminated Door Frame with shutter</b>				
A	Existing Manufacturing Capacity Per Year	60,000	60,000	60,000
B	Utilised / Manufactured Per Year	7,189	11,847	27,476
C	Addition In Manufacturing Capacity Per Year	-	-	24,000
D	Total Manufacturing Capacity Per Year (A+C)	60,000	60,000	84,000
E	% of Utilised to Existing Capacity (B/A)	11.98%	19.75%	45.79%
F	% of Utilised to Total Capacity (B/D)	11.98%	19.75%	32.71%

### B. Modular Kitchen

Sr. No.	Particulars	Financial Years/Period		
		2020-21	2021-22	2022-23
<b>Modular Kitchen</b>				
A	Existing Manufacturing Capacity Per Year	300	300	300
B	Utilised / Manufactured Per Year	6	79	84
C	Addition In Manufacturing Capacity Per Year	-	-	300
D	Total Manufacturing Capacity Per Year (A+C)	300	300	600

E	% of Utilised to Existing Capacity (B/A)	2.00%	26.33%	28.00%
F	% of Utilised to Total Capacity (B/D)	2.00%	26.33%	14.00%

### C. Modular Wardrobe

Sr. No.	Particulars	Financial Years/Period		
		2020-21	2021-22	2022-23
<b>Modular Wardrobe</b>				
A	Existing Manufacturing Capacity Per Year	3,000	3,000	6,000
B	Utilised / Manufactured Per Year	220	91	2,883
C	Addition In Manufacturing Capacity Per Year	-	3,000	-
D	Total Manufacturing Capacity Per Year (A+C)	3,000	6,000	6,000
E	% of Utilised to Existing Capacity (B/A)	7.33%	3.03%	48.05%
F	% of Utilised to Total Capacity (B/D)	7.33%	1.52%	48.05%

### D. Modular Office Furniture (Workstation, Cabin Table, Cubical Table, Conference Table Etc.)

Sr. No.	Particulars	Financial Years/Period		
		2020-21	2021-22	2022-23
<b>Modular Office Furniture (Workstation, Cabin Table, Cubical Table, Conference Table Etc.)</b>				
A	Existing Manufacturing Capacity Per Year	6,000	6,000	6,000
B	Utilised / Manufactured Per Year	3,305	3,980	4,836
C	Addition In Manufacturing Capacity Per Year	-	-	-
D	Total Manufacturing Capacity Per Year (A+C)	6,000	6,000	6,000
E	% of Utilised to Existing Capacity (B/A)	55.08%	66.33%	80.60%
F	% of Utilised to Total Capacity (B/D)	55.08%	66.33%	80.60%

### INSURANCE


Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage.

We may also be subject to product liability claims if the products that we manufacture are not in compliance with the terms of our contractual arrangements. We maintain insurance policies that are customary for companies operating in our industry. Our principal types of coverage include insurance for industrial all risk, group medical claim and group personal accident insurance etc. Our policies are subject to customary exclusions and deductibles. See "Risk Factors - Our insurance cover may not adequately protect us against all material hazards and accidents." on page 35.

As on March 31, 2023, we maintained an insurance coverage of ₹ 3,466.17 Lakh which is 111.80% of our total net tangible fixed assets and inventories.

### INTELLECTUAL PROPERTY

In order to protect our intellectual property rights, we have applied for registration of below mentioned trademark with the Trademark Registry: -

Sr. No.	Logo	Date of Application/ Approval date	Application No./ Trademark No.	Class	Current Status
1.		24/03/2003	1185059	20	Registered



## **KEY REGULATIONS AND POLICIES**

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Statutory Approvals” on page 196 of this Draft Red Herring Prospectus.*

### **THE COMPANIES ACT**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **SEBI REGULATIONS**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **TAX RELATED REGULATIONS**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30<sup>th</sup> October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST

#### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter

Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

### **State Tax on Profession, Trades, Callings and Employment Rules, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

### **Plastic Waste Management (PWM) Rules, 2016**

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March, 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

### **The Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 as amended (the “**Payment of Wages Act**”) has been enacted to regulate the payment of wages in a particular form at regular intervals without authorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than ` 6,500 per month.

### **The Minimum Wages Act, 1948**

Under the Minimum Wages Act, 1948 (“**Minimum Wages Act**”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

### **Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986, (“**CLPRA Act**”) provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer.

### **The Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA Act**”) regulates the employment of contract labour in certain establishments and to provides for its abolition in certain cases. The CLRA Act applies to every establishment in which 50 or more workmen are employed or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the last 12 months, 50 workmen or more. The CLRA Act prescribes measures to be undertaken by the principal employer for the welfare of contract labourers. The CLRA Act requires the principal employer of the concerned establishment to make an application to the registering officer appointed by the appropriate government under the CLRA Act for registration of the establishment and obtain registration within the prescribed time period, failing which contract labour cannot be employed in the particular establishment. Likewise, every

contractor to whom the CLRA Act applies, is required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. The CLRA Act provides for the establishment of canteens, restrooms, first aid facility and provision for drinking water by the contractor within the specified time period and on failure on part of the contractor to provide such facility, the principal employer is responsible to make provision for the same. The contravention of the provisions of the CLRA and the rules and regulations thereunder is punishable with imprisonment up to three months and in case of a continuing contravention with an additional fine which may extend to ` 1,000 for every day during which the contravention continues.

## **ENVIRONMENT LAWS:**

### **National Environmental Policy, 2006**

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

### **Environmental Legislations**

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act"), Water (Prevention and Control of Pollution) Act, 1974 ("Water Act"), aim to prevent, control and abate pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board. The Forest (Conservation) Act, 1980 ("FCA") read with Forest (Conservation) Rules, 2003 aim to preserve forest land and provide for restriction on the deforestation of forests or use of forest land for non-forest purpose and requires prior approval for use of forest land for any non-forest purpose. The Environment (Protection) Act, 1986 read with Environment (Protection) Rules, 1986 aim to protect and improve the environment and provide rules for prevention, control and abatement of environment pollution and impose obligation for proper handling, storage, treatment, transportation and disposal of hazardous wastes.,

### **The Noise Pollution (Regulation and Control) Rules, 2000**

These Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules") were constituted to regulate and control noise producing and generating sources with the objective of maintaining the ambient air quality standards in respect of noise and were considered necessary as increasing ambient noise levels in public places from various sources, inter-alia, industrial activity, construction activity, (fire crackers, sound producing instruments), generator sets, loud speakers, public address systems, music systems, vehicular horns and other mechanical devices have deleterious effects on human health and psychological well-being of the people. The Noise Pollution Rules provide ambient air quality criteria with respect of noise for different areas/zones. The Noise Pollution Rules further provide powers to the authority to enforce the noise control measures in the areas/zones. The Noise Pollution Rules provide modes of making complaints to the authority in case noise levels exceed the ambient noise standards along with penalties and liabilities on account of violations in the silence zones/areas.

## **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”) and amendments thereto**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

## **Environment Impact Assessment Notification of 2006**

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder.**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the Company and the approval of the shareholders of the Company by a special resolution in a general meeting. The total holding by each FII, or in case an

FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

### **Laws related to Overseas Investment by Indian Entities:**

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

### **Foreign Trade Policy 2023:**

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services.

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

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

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

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

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

#### **The Industrial Relations Code, 2020 (“Industrial Code”)**

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

## **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

## **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

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

- Employees' State Insurance Act, 1948
- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 ("MWA Rules")
- Industrial (Development and Regulation) Act, 1951 ("IDRA")
- Industrial Disputes Act, 1947 ("ID Act")
- The Factories Act, 1948
- Payment of Bonus Act, 1965 ("POB Act")
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")
- Equal Remuneration Act, 1976 ("ER Act")
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ("WCA")
- Maternity Benefit Act, 1961 ("Maternity Act")
- Industrial Employment Standing Orders Act, 1946

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

### **The Patents Act, 1970:**

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

### **The Designs Act, 2000 (Designs Act)**

The objective of Designs Act and rules made thereunder is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act.

When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

#### **OTHER GENERAL RULES AND REGULATIONS:**

##### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

##### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

##### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

##### **Other regulations:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the Company.

#### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

## OUR MANAGEMENT

### Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name, Father's Name Designation, Age, Date of Birth, Address, Experience, Occupation, Nationality, Current term, Period of Directorship and DIN	Other directorships
<b>Name:</b> Mr. Rajendra Chitbahal Vishwakarma <b>Father's Name:</b> Lt. Chitbahal Vishwakarma (retd) <b>Designation:</b> Chairman & Managing Director <b>Age:</b> 63 years <b>Date of Birth:</b> May 09, 1960 <b>Address:</b> B/1603, Videocon Towers, Thakur Complex, Kandivali (East) Mumbai 400101. <b>Experience:</b> more than 40 years <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Reappointed as Chairman and Managing Director of the Company for a period of 5 years, w.e.f. August 23, 2022 and shall not be liable to retire by rotation <b>Period of Directorship:</b> Since incorporation <b>DIN:</b> 00091492	<b>Companies:</b> Nil  <b>LLP:</b> Nil
<b>Name:</b> Mr. Mahendra Chitbahal Vishwakarma <b>Father's Name:</b> Lt. Chitbahal Vishwakarma (retd) <b>Designation:</b> Whole Time Director and CFO <b>Age:</b> 58 years <b>Date of Birth:</b> April 24, 1965 <b>Address:</b> A/1503, Videocon Towers, Thakur Complex, Kandivali (East) Mumbai 400101. <b>Experience:</b> more than 30 years <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Reappointed as Whole Time Director of the Company for a period of 5 years, w.e.f. August 23, 2022 and shall be liable to retire by rotation <b>Period of Directorship:</b> Since incorporation <b>DIN:</b> 00096586	<b>Companies:</b> Nil  <b>LLP:</b> Nil
<b>Name:</b> Ms. Geeta <b>Father's Name:</b> Mr. Balakrishna Shetty <b>Designation:</b> Independent Director <b>Age:</b> 35 years <b>Date of Birth:</b> June 10, 1988 <b>Address:</b> B/305, Kitty Villa Building, Station Road, Near Rajesh Hotel Bhayander West, Thane-401101 <b>Experience:</b> 14 years <b>Occupation:</b> Service <b>Nationality:</b> Indian <b>Term:</b> Appointed as Independent Director for a period of 5 years, w.e.f June 26, 2020 till June 26, 2025 <b>Period of Directorship:</b> Appointed on June 26, 2020 <b>DIN:</b> 08769814	<b>Companies:</b> Nil  <b>LLP:</b> Nil
<b>Name:</b> Mr. Narendra Chitbahal Vishwakarma <b>Father's Name:</b> Lt. Chitbahal Vishwakarma (retd) <b>Designation:</b> Executive Director and CEO <b>Age:</b> 45 years <b>Date of Birth:</b> January 22, 1978 <b>Address:</b> 1106, Bldg 5, Veena Saaz (Veena Sur), Near Gokul Hospital, Thakur Complex, Kandivali (East), Mumbai 400101. <b>Experience:</b> more than 20 years <b>Occupation:</b> Business <b>Nationality:</b> Indian	<b>Companies:</b> Nil  <b>LLP:</b> Nil



<p><b>Term:</b> Reappointed as Executive Director of the Company for a period of 5 years, w.e.f. August 23, 2022 and shall be liable to retire by rotation  <b>Period of Directorship:</b> Appointed on June 30, 2004  <b>DIN:</b> 00103447</p>	
<p><b>Name:</b> Mr. Prasad Chirravuri  <b>Father's Name:</b> Mr. Narasingharao Chirravuri  <b>Designation:</b> Independent Director  <b>Age:</b> 56 years  <b>Date of Birth:</b> November 11, 1967  <b>Address:</b> C/706, Ruby, Rajhans dreams, Stella, Behind Bishop Gate, barampur,vasai west, Vasai, Thane,  <b>Experience:</b> 29 years  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Appointed as Independent Director for a period of 5 years, w.e.f November 07, 2019 till November 07, 2024  <b>Period of Directorship:</b> Appointed on November 07, 2019  <b>DIN:</b> 08604812</p>	<p><b>Companies:</b> Nil   <b>LLP:</b> Nil</p>
<p><b>Name:</b> Mr. Sudhir Jayantilal Shah  <b>Father's Name:</b> Mr. Jayantilal Shah  <b>Designation:</b> Independent Director  <b>Age:</b> 67 years  <b>Date of Birth:</b> October 10, 1956  <b>Address:</b> B-601, Sorrel Building No-9 Amber CHS, 90 Feet Road Near Siddhivinayak Mandir, Ghatkopar (East), Pant Nagar, Mumbai 400075.  <b>Experience:</b> 37 years  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Re-appointed as Independent Director for a period of 5 years, w.e.f June 27th 2022 till June 26th 2027  <b>Period of Directorship:</b> Appointed on June 27<sup>th</sup> 2017  <b>DIN:</b> 00302584</p>	<p><b>Companies:</b>  <ul style="list-style-type: none"> <li>• Ameet Consultants and Engineers Private Limited</li> <li>• Ameet Infra Innovations Private Limited</li> </ul> <b>LLP:</b>  <ul style="list-style-type: none"> <li>• LIDCO Building Technologies LLP</li> </ul> </p>
<p><b>Name:</b> Mr. Parag Edwankar  <b>Father's Name:</b> Mr.Srikrisha Edwankar  <b>Designation:</b> Independent Director  <b>Age:</b> 59 years  <b>Date of Birth:</b> January 16,1964  <b>Address:</b> B-704, Element 5, S. No. 18/8, Jagtap Dairy Road, Behind Hotel Shivar Garden, Rahatani, Pune 41101.  <b>Experience:</b> 27 years  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Re-appointed as Independent Director for a period of 5 years, w.e.f June 27th 2022 till June 26th,2027  <b>Period of Directorship:</b> Appointed on June 27<sup>th</sup>, 2017  <b>DIN:</b> 02834656</p>	<p><b>Companies:</b>  <ul style="list-style-type: none"> <li>• Contours Interio Private Limited</li> </ul> <b>LLP:</b>  <ul style="list-style-type: none"> <li>• Merru Constro LLP</li> </ul> </p>
<p><b>Name:</b> Mr. Madhav Deshpande  <b>Father's Name:</b> Mr. Prahlad Rao Deshpande  <b>Designation:</b> Independent Director  <b>Age:</b> 63 years  <b>Date of Birth:</b> October 17,1960  <b>Address:</b> Flat No. 1303, Maharaja Retreat CHS, Kanyapada, Film City, Road, Goregaon East, Mumbai-400063  <b>Experience:</b> 38 years  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Appointed as Independent Director for a period of 5 years, w.e.f July 15, 2023 till July 14, 2028  <b>Period of Directorship:</b> Appointed on July 15, 2023  <b>DIN:</b> 01537794</p>	<p><b>Companies:</b>  <ul style="list-style-type: none"> <li>• Kridhan Infra Limited</li> <li>• Vijay Nirman Company Private Limited</li> <li>• Krishnadham Dormitory Private Limited</li> <li>• Standard Lubeoils Private Limited</li> <li>• Nirwana Medtech Private Limited</li> </ul> <b>LLP:</b> Nil</p>

<p><b>Name:</b> Mr. Prashant Rajendra Vishwakarma  <b>Father's Name:</b> Mr. Rajendra Vishwakarma  <b>Designation:</b> Whole Time Director  <b>Age:</b> 29 years  <b>Date of Birth:</b> February 28,1994  <b>Address:</b> B-1603, Videocon Tower, Near Gokul Hospital,Thakur Complex, Kandivali (East), Mumbai- 400101  <b>Experience:</b> 8 years  <b>Occupation:</b> Service  <b>Nationality:</b> Indian  <b>Term:</b> Appointed as Whole Time Director of the Company for a period of 5 years, w.e.f. July 15, 2023 and shall be liable to retire by rotation  <b>Period of Directorship:</b> Appointed on July 15, 2023  <b>DIN:</b> 10228817</p>	<p><b>Companies:</b> Nil   <b>LLP:</b> Nil</p>
<p><b>Name:</b> Mr. Parmanand Mahendra Vishwakarma  <b>Father's Name:</b> Mr. Mahendra C Vishwakarma  <b>Designation:</b> Whole Time Director  <b>Age:</b> 31 years  <b>Date of Birth:</b> August 08,1992  <b>Address:</b> A-1503, Videocon Tower, Near Gokul Hospital,Thakur Complex, Kandivali (East), Mumbai- 400101  <b>Experience:</b> 5 years  <b>Occupation:</b> Service  <b>Nationality:</b> Indian  <b>Term:</b> Appointed as Whole Time Director of the Company for a period of 5 years, w.e.f. July 15, 2023 and shall be liable to retire by rotation  <b>Period of Directorship:</b> Appointed on July 15, 2023  <b>DIN:</b> 10227573</p>	<p><b>Companies:</b> Nil   <b>LLP:</b> Nil</p>

**Brief Profile of Directors:**

**Mr. Rajendra Chitbahal Vishwakarma**, aged 63 years, is the Chairman and the Managing Director of our Company. He started his career with carpentry work in 1975. In 1985 he started his business as carpentry contractor with his brother Mr. Mahendra Chitbahal Vishwakarma, Practically working on machine for a long time and with his excellent business acumen, he established Om Vishwakarma Furniture Private Limited in the year 1997. He later established a partnership firm named R. M. Enterprises in the year 2000. He has been focusing on the strategic decisions and market orientation for our Company.He has developed excellent clientele over these years with impeccable track record for quality deliverables. He also looks after day to day affairs of the Company.

**Mr. Mahendra Chitbahal Vishwakarma**, aged 58 years, is the Whole- Time Director and CFO of our Company. He started his career with carpentry work in 1980. In the year 1985 he joined his brother Mr. Rajendra Chitbahal Vishwakarma as a carpentry contractor. He co-promoted our Company in the year 1997. He looks after procurement, banking & finance as well as administration.

**Mr. Narendra Chitbahal Vishwakarma**, aged 45 years, is the Executive Director and CEO of our Company. He holds qualifications in B. A., LL.B.He started his career with practical experience of furniture work & interior Business in the year 2003. At project site, he looks after the operations and also interacts with the representatives of customers. He also looks after the coordination of the site personnel for smooth functioning

**Mr. Sudhir Jayantilal Shah**, aged 67 years, is the Non-Executive and Independent Director of our Company. He is a Commerce Graduate. He is the founder of the Company named Ameet Consultants & Engineers Pvt. Ltd. He has over 37 years experience in the plumbing engineering.

**Mr. Parag Shrikrishna Edwankar**, aged 59 years, is the Non-Executive and Independent Director of our Company. He has done B.E. (Civil) from University of Mumbai in the year 1985. He has been handling civil works for residential, commercial and industrial complexes.He has been successfully running his civil works business for last 22 years.

**Ms. Geeta** aged 35 years, is the non-Executive and Independent Director of our Company. She has done post graduate diploma in Business Administration (Finance) from Symbiosis international university in July 2011 and has done Bachelors in Banking & Insurance form Thakur College University of Mumbai in May 2008 has a working experience of 14 years.

She has work as sales Co-Ordinator in Asian PPG Industries Limited till June 2010, then she has worked as an Executive Market Research & MIS in Ranbaxy Laboratories Limited till July 2013 and at present she has been working with Music Broadcast Limited as a Senior Manager (Strategy & Revenue Management)

**Mr. Parmanand Mahendra Vishwakarma** aged 31 is the Whole time Director of our Company. Is a graduate from LS Raheja School of Architecture, Mumbai in the year 2018. Starting his career as a design intern at L&T Reality's head office in Powai, Mumbai, he embarked on his professional journey. Post-graduation, he joined Omfurn India Limited as an architect, initially focusing on project execution and interior projects involving Mechanical, Electrical & Plumbing (MEP).

**Mr. Prashant Rajendra Vishwakarma** aged 29, is the Whole- Time Director of our Company. Is graduated in Mechanical Engineering from Mumbai University in the year 2016 and during his studies, he was a Production Intern at the Bus Manufacturing Facility of Maharashtra State Road Transport Corporation (MSRTC) in Pune. He also pursued his MS in Industrial Engineering at New York University in the year 2019. On completing the course he returned to India and joined Omfurn India Limited as an Industrial Engineer at the Manufacturing unit in Umbergaon.

**Mr. Madhav Deshpande** aged 63 years, is the Non-Executive and Independent Director of our Company, after graduating as a Civil Engineer, from Shri Govindram Sakseria Institute of Technology & Science (SGSITS) Indore, Madhya Pradesh in 1982, started his career with an infrastructure company in Nagpur overlooking infra projects for dams, spinning mills. In 1986 he joined Larsen & Toubro as a Senior Engineer Planning. He superannuated in July 2020 at the level of Vice President and Project Director for Chhatrapati Shivaji Maharaj memorial project to be built on a manmade island of rocks located in Arabian Sea, near the coast of Mumbai, Maharashtra. During last decade of his career, Mr. Madhav has worked extensively in L&T's Residential Buildings vertical which overlooks design and construction of large townships and high rise apartments

**Mr. Prasad Chirravuri** aged 56 years, Non-Executive and Independent Director of our Company, has done B.com in finance from Kirti M. Doongursee College in the year 1988 and then has done interior designing from Rachana Sansad's School of Interior Design in the year 1992. He has successfully designed innumerable flats, bungalows, offices, hospitals, clinics and a few banks, restaurants, photo studios, play school and mosque. He has a proven track record of conceptualization the client needs and developing well functional finished products.

#### **Confirmations:**

As on the date of this Draft Red Herring Prospectus:

1. None of the Directors of the Company are related to each other except Mr. Rajendra Chitbahal Vishwakarma, Mr. Mahendra Chitbahal Vishwakarma and Mr. Narendra Chitbahal Vishwakarma who are related to each other as brothers and Parmanand M Vishwakarma is the son of Mr. Mahendra Chitbahal Vishwakarma and Mr. Prashant R Vishwakarma is the son of Mr. Rajendra Chitbahal Vishwakarma pursuant to the provisions of Sec 2 (77) of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of Our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of wilful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Red Herring Prospectus or (b) delisted from the stock exchanges.
6. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority. For further details refer Chapter titled "Outstanding Litigation and Material Development" beginning on page 192 of this Draft Red Herring Prospectus

### Remuneration/ Compensation of Directors:

Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations. Except Mr. Rajendra Chitbahal Vishwakarma, Mr. Mahendra Chitbahal Vishwakarma, Mr. Narendra Chitbahal Vishwakarma, Mr Parmanand M Vishwakarma and Mr Prashant R Vishwakarma who have been paid Gross Compensation of ₹ 11.48 Lakhs, ₹ 10.60 Lakhs, ₹ 13.51 Lakhs, ₹7.40 Lakhs and ₹ 7.40 Lakhs each respectively during Fiscal Year 2022-23, none of our Directors had received any remuneration during preceding financial year.

### Shareholding of our Directors in our Company:

The following table details the shareholding of our Directors as on the date of this DRHP:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Capital	Share	% of Post Issue Equity Capital	Share
1.	Mr. Rajendra Chitbahal Vishwakarma Jt. Ms. Manbhavati Devi Rajendra Vishwakarma	16,80,000		20.55		[●]
2.	Mr. Mahendra Chitbahal Vishwakarma Jt. Ms. Maltidevi Mahendra Vishwakarma	16,80,000		20.55		[●]
3.	Mr. Narendra Chitbahal Vishwakarma	10,20,000		12.48		[●]
4.	Ms. Geeta	NIL		NA		NA
5.	Mr. Sudhir Jayantilal Shah	NIL		NA		NA
6.	Mr. Parag Shrikrishna Edwankar	NIL		NA		NA
7.	Mr. Madhav Deshpande	NIL		NA		NA
8.	Mr. Prashant Rajendra Vishwakarma	NIL		NA		NA
9.	Mr. Parmanand Mahendra Vishwakarma	NIL		NA		NA
10.	Mr. Prasad Chirravuri	NIL		NA		NA

### Interest 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 consideration received/paid or any loan or advances provided to anybody 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 to them and other distributions in respect of the said Equity Shares, if any. None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapter "Our Management" and 'Related Party Transactions' beginning on pages 125 and 147 respectively of this draft red herring prospectus and 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 have no interest in any property acquired by our Company within two years of the date of this Further Public Issue

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### Property Interest:

Except as stated/referred to in the heading titled "Our Properties" beginning on page 114 of this draft red herring prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this Further Public Issue 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 during the last three years

Name	Date of event	Nature of event	Reason
Mr. Rajendra Chitbahal Vishwakarma	August 23, 2022	Re-appointment	Re-appointed as Chairman and Managing director
Mr. Narendra Chitbahal Vishwakarma	August 23, 2022	Re-appointment	Re-appointed as Executive Director
Mr. Mahendra Chitbahal Vishwakarma	August 23, 2022	Re-appointment	Re-appointed as Whole-Time Director
Mr. Sudhir Jayantilal Shah	June 27, 2022	Re-appointment	Re-appointed as Independent Director
Mr. Parag Shrikrishna Edwankar	June 27, 2022	Re-appointment	Re-appointed as Independent Director
Ms. Geeta	June 26, 2020	Appointment	Appointed as Independent Director
Mr Jayshankar A Chandira	February 28, 2023	Resignation	Due to Personal Reason
Mr. Madhav Deshpande	July 15, 2023	Appointment	Appointed as Independent Director
Mr Parmanand Mahendra Vishwakarma	July 15, 2023	Appointment	Appointed as Whole Time Director
Mr. Prashant Rajendra Vishwakarma	July 15, 2023	Appointment	Appointed as Whole Time Director

### Borrowing Powers of the Board:

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on June 27, 2017 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 ₹10,000 Lakhs (Rupees Ten Thousands Lakhs Only).

### Corporate Governance

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act, 2013 and as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Ten Directors. We have One Managing Director, Three Whole time Director, One Executive Director and Five Non-Executive & Independent Directors. The constitution of our Board is in compliance with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### The following committees have been formed in compliance with the corporate governance norms:

1. Audit Committee
2. Stakeholder Relationships Committee
3. Nomination and Remuneration Committee
4. FPO Committee

## 1. Audit Committee

Our Company has reconstituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on February 5, 2022.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following four (4) directors.

Name of Director	Status in the Committee	Nature of Directorship
Mr. Sudhir Jayantilal Shah	Chairman	Non-Executive & Independent Director
Mr. Rajendra Chitbahal Vishwakarma	Member	Managing Director
Mr. Prasad Chirravuri	Member	Non-Executive & Independent Director
Mr. Parag Shrikrishna Edwankar	Member	Non-Executive & Independent Director

Mr. Sudhir Jayantilal Shah is the Chairman of the Audit Committee

The Company Secretary of the Company acts as the Secretary to the Audit committee.

### Role of the audit committee:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
5. Matters required being included in the Directors 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.
6. Changes, if any, in accounting policies and practices and reasons for the same.
7. Major accounting entries involving estimates based on the exercise of judgment by management.
8. Significant adjustments made in the financial statements arising out of audit findings.
9. Compliance with listing and other legal requirements relating to financial statements.
10. Disclosure of any related party transactions.
11. Modified opinion(s) in the draft audit report.
12. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval
13. 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.
14. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
15. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.

16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of the Company, wherever it is necessary.
18. Evaluation of internal financial controls and risk management systems.
19. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
20. 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.
21. Discussion with internal auditors on any significant findings and follow up there on.
22. 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.
23. 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.
24. 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.
25. To review the functioning of the Whistle Blower mechanism, in case the same exists.
26. Approval of appointment of CFO or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
27. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
28. To implement Ind AS (Indian Accounting Standards), whenever required.
29. Monitoring the end use of funds raised through public offers and related matters. The Audit Committee shall mandatorily review the following information:
30. Management Discussion and Analysis of financial condition and results of operations.
31. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
32. Management letters / letters of internal control weaknesses issued by the statutory auditors.
33. Internal audit reports relating to internal control weaknesses.
34. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
35. Statement of deviations:
  - a. Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Powers of the Audit Committee:**

1. Investigating any activity within its terms of reference;
2. Seeking information from any employee;

3. Obtaining outside legal or other professional advice; and
4. Securing attendance of outsiders with relevant expertise, if it considers necessary.

## 2. Stakeholder Relationships Committee

Our Company has reconstituted a stakeholder relationships committee ("stakeholder relationships Committee") to redress the complaints of the shareholders. The stakeholder relationships committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on February 5, 2022.

### Composition of Stakeholder Relationships Committee

Name of Director	Status in the Committee	Nature of Directorship
Mr. Sudhir Jayantilal Shah	Chairman	Non-Executive & Independent Director
Mr. Prasad Chirravuri	Member	Non-Executive & Independent Director
Mr. Rajendra Chitbahal Vishwakarma	Member	Managing Director
Ms. Geeta	Member	Non-Executive & Independent Director

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

1. Redressal of shareholders'/investors' complaints;
2. Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company; and
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

## 3. Nomination and Remuneration Committee

Our Company has reconstituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on February 5, 2022.

### Composition of Nomination and Remuneration Committee

Name of the Director	Status in the Committee	Nature of Directorship
Mr. Parag Shrikrishna Edwankar	Chairman	Non-Executive & Independent Director
Mr. Sudhir Jayantilal Shah	Member	Non-Executive & Independent Director
Mr. Prasad N Chirravuri	Member	Non-Executive & Independent Director
Ms. Geeta	Member	Non-Executive & Independent Director

Mr. Parag Shrikrishna Edwankar the Chairman of the Nomination and Remuneration Committee.

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

### Role of Nomination and Remuneration Committee are:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.



2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. 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.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

#### 4. FPO Committee

The member of the FPO committee are:-

Name of the Director	Status in the Committee	Nature of Directorship
Mr. Rajendra Chitbahal Vishwakarma	Chairman	Chairman and Managing Director
Mr. Mahendra Chitbahal Vishwakarma	Member	Whole- Time Director and CFO
Mr. Narendra Chitbahal Vishwakarma	Member	Executive Director and CEO
Mr Parmanand Mahendra Vishwakarma	Member	Whole Time Director
Mr. Prashant Rajendra Vishwakarma	Member	Whole Time Director

**The FPO Committee was constituted by our Board at their meeting held on October 28, 2023. The terms of reference of the FPO Committee of Our Company include the following: -**

1. To decide, negotiate and finalize, in consultation with the book running lead manager appointed in relation to the Issue (the “BRLM”)
2. To take all actions as may be necessary and authorised in connection with the Issue and to approve
3. To decide on other matters in connection with or incidental to the Issue, timing, pricing and terms of the Equity Shares, the Issue price, the price band, the size and all other terms and conditions of the Issue including the number of Equity Shares to be offered and transferred in the Issue, the bid / Issue opening and bid/Issue closing date, discount (if any), reservation, determining the anchor investor portion, issue price for anchor investors and allocating such number of Equity Shares to anchor invest in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including to make any amendments, modifications, variations or alterations in relation to the Issue and to constitute such other committees of the Board, as may be required under Applicable Laws, including as provided in the SEBI Listing Regulations;
4. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, SEBI, the RoC and any other governmental or statutory authorities as may be required in connection with the Issue and accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications/amendments as may be required in the draft red herring prospectus (the “DRHP”), the red herring prospectus (the “RHP”) and the Prospectus as applicable;
5. To finalize, settle, approve, adopt and file in consultation with the BRLM where applicable, the DRHP, the RHP the Prospectus, the preliminary and final international wrap and any amendments (including dating of such documents), supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
6. To invite the existing shareholders of the Company to participate in the Issue by offering for sale the Equity Shares held by them at the same price as in the Issue;
7. To approve the relevant restated financial statements to be issued in connection with the Issue;

8. To appoint and enter into and terminate arrangements with the BRLM, and appoint and enter into and terminate arrangements in consultation with the BRLM with underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, escrow collection bankers to the Issue, refund bankers to the Issue, registrars, public offer account bankers to the Issue, sponsor bank, legal advisors, auditors, independent chartered accountants, advertising agency, Registrar to the Issue, depositories, custodians, grading agency, monitoring agency, industry expert, credit rating agencies, printers, and any other agencies or persons or intermediaries whose appointment is required in relation to the Issue including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLM and negotiation, finalization, execution and, if required, amendment or termination of the Issue agreement with the BRLM;
9. To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
10. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, Issue agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, ad agency agreement, agreements with the Registrar to the Issue and all other documents, deeds, agreements and instruments whatsoever with the Registrar to the Issue, legal advisors, auditors, stock exchange(s), BRLM and any other agencies/intermediaries in connection with the Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Issue;
11. To authorize the maintenance of a register of holders of the Equity Shares;
12. To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Issue or any actions connected therewith;
13. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
14. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
15. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue;
16. To accept and appropriate the proceeds of the Issue in accordance with the Applicable Laws;
17. To approve code of conduct as may be considered necessary or as required under Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
18. To implement any corporate governance requirements that may be considered necessary by the Board or the any other committee or as may be required under the Applicable Laws, including the SEBI Listing Regulations and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
19. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorize one or more officers of the Company or the Registrar to the Issue to sign all or any of the aforesaid documents;
20. To authorize and approve notices, advertisements in relation to the Issue, in accordance with the SEBI ICDR Regulations and other Applicable Laws, in consultation with the relevant intermediaries appointed for the Issue;
21. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLM;

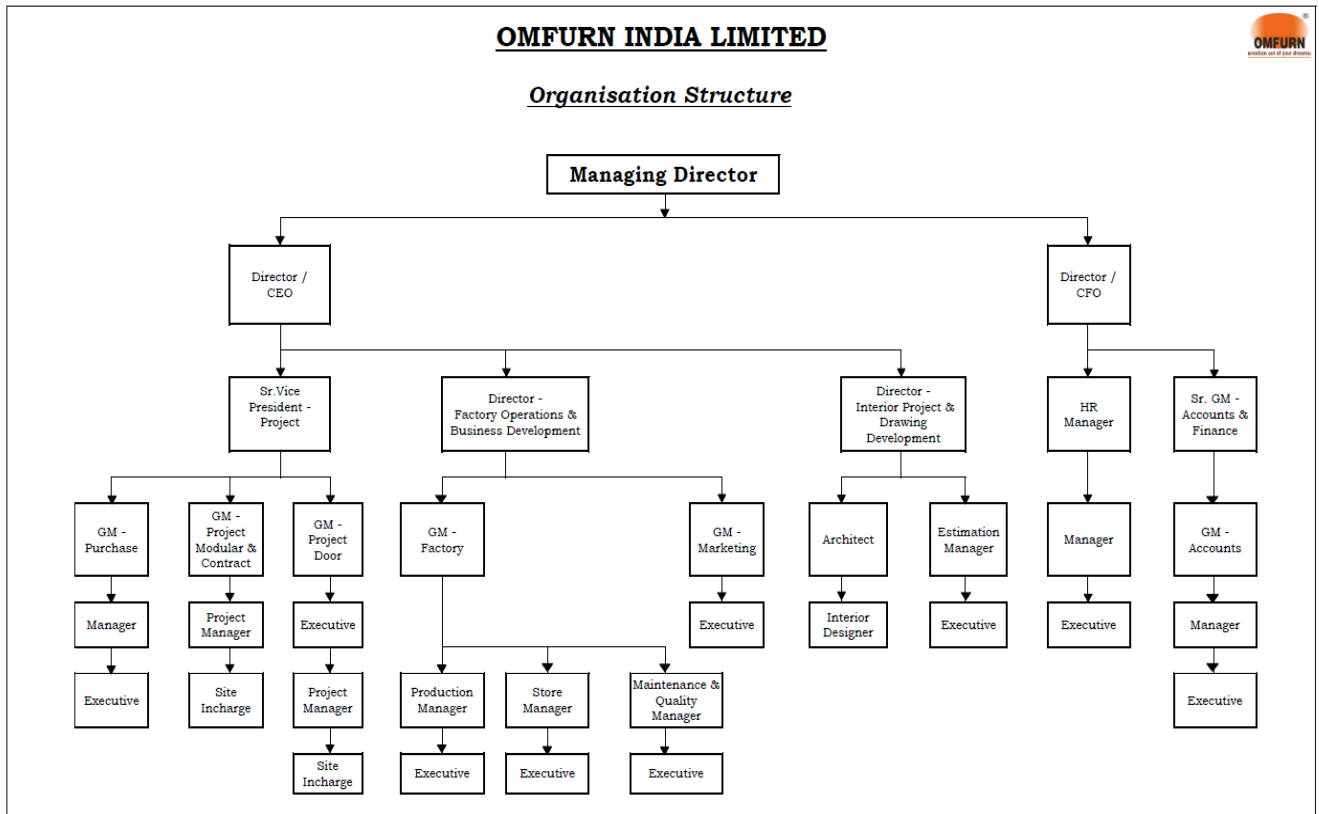
22. To do all such acts, deeds and things as may be required to dematerialize the Equity Shares and to sign and/ or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore-stated documents;
23. To make applications for listing of the Equity Shares in one or more stock exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchanges in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
24. To settle all questions, difficulties or doubts that may arise in regard to the Issue, including such issues or allotment, terms of the Issue and matters incidental thereto as it may deem fit;
25. To authorize any concerned person on behalf of the Company to give such declarations, affidavits, undertakings, certificates, consents and authorities as may be required from time to time in relation to the Issue or provide clarifications to the SEBI, the RoC and the relevant stock exchanges where the Equity Shares are to be listed;
26. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the Board or any other committee thereof may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Issue and any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board or any other committee thereof shall be conclusive evidence of their authority in so doing;
27. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;
28. To approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;
29. To withdraw the DRHP or the RHP or to decide to not proceed with the Issue at any stage in accordance with Applicable Laws and in consultation with the BRLM; and
30. To delegate any of its powers set out under (1) to (31) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

#### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Mrs. Dhara Pratik Shah, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

## ORGANISATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

### Mr. Rajendra Chitbahal Vishwakarma (Managing Director)

Mr. Rajendra Chitbahal Vishwakarma, aged 63 years, is the Chairman and the Managing Director of our Company. He started his career with carpentry work in 1975. In 1985 he started his business as carpentry contractor with his brother Mr. Mahendra Chitbahal Vishwakarma, practically working on machine for a long time and with his excellent business acumen, he established Om Vishwakarma Furniture Private Limited in the year 1997. He later established a partnership firm named R. M. Enterprises in the year 2000. He has been focusing on the strategic decisions and market orientation for our Company. He has developed excellent clientele over these years with impeccable track record for quality deliverables. He also looks after day to day affairs of the Company. He has been paid a remuneration of ₹11.48 Lakhs during Financial Year 2022-23.

### Mr. Mahendra Chitbahal Vishwakarma (Whole-Time Director and Chief Financial Officer)

Mr. Mahendra Chitbahal Vishwakarma, aged 58 Years, is the Whole-Time Director and CFO of our Company. He started his career with carpentry work in 1980. In the year 1985 he joined his brother Mr. Rajendra Chitbahal Vishwakarma as a carpentry contractor. He co-promoted our Company in the year 1997. He looks after procurement, banking & finance as well as administration. He has been paid a remuneration of ₹10.60 Lakhs during Financial Year 2022-23.

### Mrs. Dhara Pratik Shah (Company Secretary and Compliance Officer)

Mrs. Dhara Pratik Shah, aged 36 years, is the Company Secretary & Compliance Officer of the Company. She is an associate member of the Institute of the Company Secretaries of India and also holds graduate degree in commerce. She joined the Company on August 22, 2017. She has been paid remuneration of ₹2.10 Lakhs during the Financial Year 2022-23

### Mr. Narendra Chitbahal Vishwakarma (Executive Director and Chief Executive Officer)

He is the Executive Director and CEO of our Company. He holds qualifications in B. A., LL.B. He started his career with practical experience of furniture work & interior Business in the year 2003. At project site, he looks after the operations and

also interacts with the representatives of customers. He also looks after the coordination of the site personnel for smooth functioning. He has been paid a remuneration of ₹13.51 Lakhs during Financial Year 2022-23.

**Mr. Prashant Rajendra Vishwakarma (Director – Factory Operation and Business Development)**

Mr. Prashant R Vishwakarma, aged 29, graduated in Mechanical Engineering from Mumbai University in the year 2016 and during his studies, he was a Production Intern at the Bus Manufacturing Facility of Maharashtra State Road Transport Corporation (MSRTC) in Pune. He also pursued his MS in Industrial Engineering at New York University in the year 2019. On completing the course he returned to India and joined Omfurn India Limited as an Industrial Engineer at the Manufacturing unit in Umbergaon. He has been paid a remuneration of ₹7.40 Lakhs during Financial Year 2022-23.

**Mr. Parmanand Mahendra Vishwakarma (Director- Interior Project and Factory Development)**

Mr. Parmanand M Vishwarkarma, aged 31 is a graduate from LS Raheja School of Architecture, Mumbai in the year 2018. Starting his career as a design intern at L&T Reality’s head office in Powai, Mumbai, he embarked on his professional journey. Post-graduation, he joined Omfurn India Limited as an architect, initially focusing on project execution and interior projects involving Mechanical, Electrical & Plumping (MEP). He has been paid a remuneration of ₹11.48 Lakhs during Financial Year 2022-23.

**RELATIONSHIPS BETWEEN KEY MANAGERIAL PERSONNEL**

Except Mr. Rajendra Chitbahal Vishwakarma, Mr. Mahendra Chitbahal Vishwakarma and Mr. Narendra Chitbahal Vishwakarma who are related to each other as brothers, Mr. Parmanand M Vishwakarma is the son of Mr. Mahendra Chitbahal Vishwakarma and Mr.Prashant R Vishwakarma is the son of Mr Rajendra Chitbahal Vishwakarma, there is no family relationship between the key managerial personnel.

**FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL**

Except Mr. Rajendra Chitbahal Vishwakarma, Mr. Mahendra Chitbahal Vishwakarma and Mr. Narendra Chitbahal Vishwakarma, who are related to each other as brothers, Mr. Parmanand M Vishwakarma is the son of Mr. Mahendra Chitbahal Vishwakarma and Mr. Prashant R Vishwakarma is the son of Mr Rajendra Chitbahal Vishwakarma there is no other relationship between the Key Managerial Personnel and Directors of our Company pursuant to the provisions of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations,2009

**ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

None of the KMP’s holds any equity shares of our Company as on the date of this Further Public Issue except as following:

<b>Name of Shareholders</b>	<b>No. of Shares</b>
Mr.Rajendra Chitbahal Vishwakarma Jt. Ms. Manbhavateidevi Rajendra Vishwakarma	16,80,000
Mr. Mahendra Chitbahal Vishwakarma Jt. Ms. Maltidevi Mahendra Vishwakarma	16,80,000
Mr. Narendra Chitbahal Vishwakarma	10,20,000
Mrs. Dhara Pratik Shah	NIL
Mr. Prashant Rajendra Vishwakarma	NIL
Mr. Parmanand Mahendra Vishwakarma	NIL

**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 given to the Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

## 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 Further Public Issue, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

## 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 Managerial Personnel	Designation	Date of Event	Reason
Mr. Rajendra Chitbahal Vishwakarma	Chairman and Managing Director	August 23, 2022	Re-appointment as Managing Director
Mr. Mahendra Chitbahal Vishwakarma	Whole-Time Director and Chief Financial Officer	August 23, 2022	Re-appointment as Whole-Time Director and Chief Financial Officer
Mr. Narendra Chitbahal Vishwakarma	Executive Director and Chief Executive Officer	August 23, 2022	Re-appointment as Executive Director and Chief Executive Officer

Other than above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

## ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

## PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled “Related Party Disclosure” in the section titled “Financial Statements” beginning on page 170 of this Further Public Issue, 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.

## HISTORY AND CORPORATE STRUCTURE

### Brief history of our Company:

Our Company was originally incorporated as “OM Vishwakarma Furniture Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated November 13, 1997 issued by the Registrar of Companies Mumbai, Maharashtra. Subsequently the name of our Company was changed to Omfurn India Private Limited vide shareholder’s approval on April 03, 2013 and fresh certificate of Incorporation dated April 21, 2013. Subsequently, the name of our Company was changed to Omfurn India Limited pursuant to conversion into public company vide Shareholders approval on May 30, 2017 and fresh certificate of Incorporation dated June 15, 2017 was issued to our Company by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is L20200MH1997PLC111887. The shares of our Company got listed with Emerge Platform of NSE through Initial Public Offer on October 13, 2017.

Rajendra Chitbahal Vishwakarma and Mahendra Chitbahal Vishwakarma were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled “Our Business”, “Our Industry”, “Our Management”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 97, 86, 125, 149 and 179 respectively of this Draft Red Herring Prospectus.

### Our Locations:

<b>Registered Office</b>	109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai -400101
<b>Manufacturing Unit</b>	Plot No. 6 to 8, 52 Hecter, Expansion Area, New GIDC, Umbergaon-396171, District Valsad, Gujarat

### Changes in the Registered Office of the Company since Incorporation

Effective Date	From	To	Reason for Change
March 26, 2001	Shop No. 03, Barkha Bahar Building, Thakur Complex, Kandivali (East), Mumbai- 400101	109, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai -400101.	To increase Operational Efficiency

### Main Objects of our Company as per the Memorandum of Association:

To carry on the business of manufacturers, assemblers, fabricators, designers, importers, exporters, buyers, sellers, dealers, distributors, agents, commission agents, marketing, indenting agents of furniture, fixtures wooden articles, interior decorators and items required for the purposes of all types of furniture, home-appliances, office equipments and other appliances, consumer durables and other equipments including storage units, all types of fire-resisting products, including doors, equipment and systems, seating and desking systems, fire detection systems, firefighting equipments, passive fire protection, and any other equipment/ accessories pertaining to fire prevention and life safety measures, modular office systems, security equipment, systems and solutions, telecommunication and other audio visual equipment, locks, locking system and solution and doors, kitchen equipments, industrial products and other systems and equipments for all applications commercial and industrial establishments and units and all products, components, accessories, sub-assemblies, installations of every size description and variety made of iron, steel, any metal or alloys, non-metals, or any combination thereof and to otherwise sell and deal in the same.

### Amendments to the 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	Nature of Amendments
February 19, 2007	EGM	The Initial Authorized Share Capital of ₹ 5,00,000 (Rupees Five Lakh only) consisting of 50,000 Equity shares of face value of ₹10 each was increased to ₹1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of ₹10 each

April 03, 2013	EGM	Our Company changed its name from “Om Vishwakarma Furniture Private Limited” to “Omfurn India Private Limited” and also changed its Main Object Clause.
January 30, 2017	EGM	The Authorized Capital of ₹1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of ₹10 each was increased to ₹ 10,00,00,000 (Rupees Ten Crore only) consisting of 1,00,00,000 Equity Shares of face value of ₹10 each
May 30, 2017	EGM	Conversion of private company into public company and subsequent change of name from ‘Omfurn India Private Limited’ to ‘Omfurn India Limited’
August 23, 2017	EGM	New set of Memorandum of Association has been adopted according to the provisions of the Companies Act, 2013.
August 09, 2019	AGM	Alteration in the Main Object Clause from “carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers, distributors, agents, commission agents, marketing, indenting agents of furniture, fixtures wooden articles, interior decorators and items required for the purposes.” to current main object of the Company.
September 26, 2023	AGM	The Authorized Capital of ₹10,00,00,000 (Rupees Ten Crore only) consisting of 1,00,00,000 Equity Shares of face value of ₹10 each was increased to ₹ 12,50,00,000 (Rupees Twelve Crore Fifty Lakh only) consisting of 1,25,00,000 Equity Shares of face value of ₹10 each

### Major Key Events, Milestone and Achievements of our Company:

The Table below sets forth some of the major events in the history of our Company:

Year/F.Y.	Key Events / Milestone / Achievements/ Awards/ Recognitions/ Accreditations
1997	Our Company was incorporated as Om Vishwakarma Furniture Private Limited.
2005	Established manufacturing unit in GIDC, Umbergaon- 396171, Gujarat
2015	Turnover crossed Rs 2000.00 Lakh
2016	Obtained ISO, OHSAS
2017	Company was converted into Public Limited Company.
2017	Implementation of New project for manufacture of doors and shutters
2017	Listing of the Shares on “Emerge” Platform of the National Stock Exchange

### Other details about our Company:

For details of our Company’s activities, products, growth, awards & recognitions, capacity, location of stores, technology, marketing strategy, competition and our customers, please refer section titled “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Issue Price” on pages 97, 179 and 78 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “Our Management” and “Capital Structure” beginning on page 125 and 58 of the Draft Red Herring Prospectus respectively.

### Capital Raising (Debt / Equity):

For details in relation to our capital raising activities through equity, please refer to the chapter titled “Capital Structure” beginning on page 58 of the Draft Red Herring Prospectus. For details of our Company’s debt facilities, see “Statement of Financial Indebtedness” on page 190 of the Draft Red Herring Prospectus.

### Changes in activities of our Company during the last five (5) Years:

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

### Holding Company:

As on the date of the Draft Red Herring Prospectus, our Company is not a subsidiary of any company.

### Subsidiaries, Associates, and Joint Ventures

Our Company does not have any Subsidiaries, Associates or Joint Ventures as on the date of this Draft Red Herring Prospectus.



**Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.**

Except as disclosed in this Draft Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

**Injunction or Restraining Order:**

Except as disclosed in the section titled “Outstanding Litigation and Material Development” beginning on page 192 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

**Number of shareholders of our Company:**

Our Company has 243 shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “Capital Structure” beginning on page 58 of the Draft Red Herring Prospectus.

**Changes in the Management:**

For details of change in Management, please see chapter titled “Our Management” on page 125 of the Draft Red Herring Prospectus.

**Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, 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 the Company.

**Shareholders Agreements:**

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

**Collaboration Agreements:**

As on date of this Draft Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

**Material Agreement:**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

**Strategic or Financial Partners:**

Except as disclosed in this Draft Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

**Time and Cost Overruns in Setting up Projects:**

There has been no time / cost overrun in setting up projects by our Company.

**Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Red Herring Prospectus.

**Other Agreements:**

**Non-Compete Agreement:**

Our Company has not entered into any No- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

**Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR INDIVIDUAL PROMOTERS

Mr. Rajendra Chitbahal Vishwakarma  
Mr. Mahendra Chitbahal Vishwakarma

### DETAILS OF OUR INDIVIDUAL PROMOTERS

#### Mr. Rajendra Chitbahal Vishwakarma



Mr. Rajendra Chitbahal Vishwakarma, aged 63 years, is the Promoter and the Managing Director of our Company. He started his career with carpentry work in 1975. In 1985 he started his business as carpentry contractor with his brother Mr. Mahendra Chitbahal Vishwakarma, practically working on machine for a long time and with his excellent business acumen, he established Om Vishwakarma Furniture Private Limited in the year 1997. He later established a partnership firm named R. M. Enterprises in the year 2000. He has been focusing on the strategic decisions and market orientation for our Company. He has developed excellent clientele over these years with impeccable track record for quality deliverables. He also looks after day to day affairs of the Company.

Particulars	Details
Permanent Account Number	*****
Bank Account Details	Punjab National Bank Account No.: **** *7660 Gokul Monarch Coop-Hsg Society, Kandivali (East), Mumbai-400101.

#### Mr. Mahendra Chitbahal Vishwakarma



Mr. Mahendra Chitbahal Vishwakarma, aged 58 Years, is the Promoter, Whole - Time Director and CFO of our Company. He started his career with carpentry work in 1980. In the year 1985 he joined his brother Mr. Rajendra Chitbahal Vishwakarma as a carpentry contractor. He co-promoted our Company in the year 1997. He looks after procurement, banking & finance as well as administration.

Particulars	Details
Permanent Account Number	*****
Bank Account Details	Punjab National Bank Account No.: ***** 6070 Gokul Monarch Coop-Hsg Society, Kandivali (East), Mumbai-400101.

Our Company confirms that the details of Permanent Account Number, Bank Account Number and Passport Number of the Promoters will be submitted with this Draft Red Herring Prospectus to NSE, where the securities of our Company are proposed to be listed.

### **Changes in control of our Company**

There has not been any change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### **Interest of Our Promoters**

#### **Interest in the promotion of Our Company**

Our Promoters are Mr. Rajendra Chitbahal Vishwakarma and Mr. Mahendra Chitbahal Vishwakarma. Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives, to the extent of the remuneration and reimbursement of expenses payable, to the extent of rent payable by the Company in respect of lease of the Registered Office of the Company and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares.

#### **Interest in the property of Our Company**

Our Promoters do not have any interest in any property acquired by our Company in last three years or proposed to be acquired by our Company.

#### **Interest as Member of our Company**

As on the date of this Draft Red Herring Prospectus, Mr. Rajendra Chitbahal Vishwakarma Jt. Ms. Manbhavatidevi Rajendra Vishwakarma and Mr. Mahendra Chitbahal Vishwakarma Jt. Ms. Maltidevi Mahendra Vishwakarma hold 16,80,000 and 16,80,000 Equity Shares respectively of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company our Promoters do not hold any other interest in our Company.

#### **Payment Amounts or Benefit to Our Promoters and Promoter Group during the Last Two Years**

Except as stated in “Restated Financial Statements – Note 33 - Related Party Disclosures” on page 170, no payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Red Herring Prospectus. Further as on the date of this Draft Red Herring Prospectus, there is no bonus or profit sharing plan for our Promoters.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of this Draft Red Herring Prospectus.

#### **Confirmations**

For details on litigations and disputes pending against the Promoters and defaults made by them including criminal case and violations of securities laws, please refer to the section titled “Outstanding Litigation and Material Development” on page 192 of this Draft Red Herring Prospectus. Our Promoters have not been declared as a wilful defaulter by the RBI or any other governmental authority.

### **OUR PROMOTER GROUP**

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 includes the following persons:

#### **a) Individual Promoter**

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

Sr. No.	Relationship	Mr. Rajendra Chitbahal Vishwakarma	Mr. Mahendra Chitbahal Vishwakarma
1.	Father	Chitbahal Vishwakarma	Chitbahal Vishwakarma
2.	Mother	Hardevi Vishwakarma	Hardevi Vishwakarma
3.	Spouse	Manbhavatidevi Vishwakarma	Maltidevi Vishwakarma
4.	Brother	Ravindra Vishwakarma, Mahendra Vishwakarma, Narendra Vishwakarma.	Ravindra Vishwakarma, Rajendra Vishwakarma, Narendra Vishwakarma
5.	Sister	Lalmani Vishwakarma, Sangeeta Vishwakarma, Meeta Vishwakarma, Sunita Vishwakarma, Reeta Vishwakarma.	Lalmani Vishwakarma, Sangeeta Vishwakarma, Meeta Vishwakarma, Sunita Vishwakarma, Reeta Vishwakarma.
6.	Children	Kamlesh Vishwakarma, Niklesh Vishwakarma, Sarita Vishwakarma, Deepa Vishwakarma, Prashant R Vishwakarma, Karna Vishwakarma.	Jayesh Vishwakarma, Parmanand Vishwakarma, Ruchi Vishwakarma
7.	Spouse Father	Rampher Vishwakarma	Khaderu Vishwakarma
8.	Spouse Mother	Champa Vishwakarma	Phuldevi Vishwakarma
9.	Spouse Brother	-	Rajendra Vishwakarma, Gulab Vishwakarma
10.	Spouse Sister	-	Meenadevi Vishwakarma

**b) Companies and proprietorship firms forming part of our Promoter Group are as follows:**

Relationship with promoter	Promoters	
	Mr. Rajendra Chitbahal Vishwakarma	Mr. Mahendra Chitbahal Vishwakarma
Any company in which 10% or more of the share capital is held by the Promoters or an immediate relative of the Promoters or a firm or HUF in which the Promoters or any one or more of his immediate relative is a member	NIL	
Any company in which a company (mentioned above) holds 10% of the total holding	NIL	
Any HUF or firm in which the aggregate share of the Promoters and his immediate relatives is equal to or more than 10% of the total holding	<ul style="list-style-type: none"> <li>• R M Enterprises</li> <li>• Mahendra C Vishwakarma HUF</li> <li>• Narendra C. Vishwakarma HUF</li> <li>• Rajendra C Vishwakarma HUF</li> </ul>	

**Common Pursuits**

None of the Promoter Group members except RM Enterprises is having business objects similar to our business.

**Confirmation**

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of security laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Note 33 to Annexure 5 of Restated Financial Statements under the section titled, 'Financial Information' beginning on page 170 this Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, 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.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not paid any dividend in the previous three Financial Years and in the half year ended September 30, 2023.

## SECTION IX - FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENT

#### Independent Auditor's Report for the Restated Financial of Omfurn India Limited

To,  
**The Board of Directors**  
**Omfurn India Limited**  
109, Gundecha Industrial Complex,  
Akurli Road Kandivali East,  
Mumbai 400101

Dear Sirs,

1. We have examined the attached Restated Financial Statements of **Omfurn India Limited** (the “**Company**” or the “**Issuer**”) comprising the Restated Statement of Assets and Liabilities as on September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the six months ended September 30, 2023, financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Financial Statement of Significant Accounting Policies and other explanatory information annexed to this report (the “**Restated Financial Statements**”) for the purpose of inclusion in the Draft Red Herring Prospectus (“**DRHP**”), Red Herring Prospectus (“**RHP**”) and Prospectus (along with DRHP and RHP hereinafter referred as, the “**Offer Documents**”) of the Company proposed to be filed with the Securities and Exchange Board of India (“**SEBI**”), Emerge platform of National Stock Exchange of India Limited (“**NSE Emerge**”) (“**Stock Exchange**”) and the relevant Registrar of Companies (“**ROC**”). These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors of the Company at their meeting held on December 28, 2023.
2. These Restated Financial Statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the SEBI; and
  - (iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”), as amended from time to time (the “**Guidance Note**”).

#### Management's Responsibility for the Restated Financial Statements

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Offer Documents. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statement as at and for the half year ended September 30, 2023 (defined hereunder) and from the Audited Financial Statements (defined hereinafter) of the Company as at and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, which have been approved by the Board of Directors.
4. The Restated Financial Statements have been prepared by the management of the Company on the basis stated in Annexure 4 to the Restated Financial Statements. The responsibility of the Board of Directors of the Company includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, and the Guidance Notes.

#### Auditors' Responsibilities

5. We have examined such Restated Financial Statements taking into consideration:
  - (i) the terms of reference and terms of our engagement agreed with you in accordance with our engagement letter; requesting us to carry out the assignment, in connection with the proposed FPO of equity shares of the Company



- (ii) the Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- (iii) the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- (iv) 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 proposed Further Public Issue of equity shares of the Company.

6. The Restated Financial Statements have been compiled by the management from:

- I. The Audited Special Purpose Interim Financial Statements of the Company as at and for the half year ended September 30, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Special Purpose Interim Financial Statement as at and for the half year ended September 30, 2023**”);
- II. The Audited Financial Statements of the Company as at and for the financial year ended March 31, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2023**”);
- III. The Audited Financial Statements of the Company as at and for the financial year ended March 31, 2022 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2022**”);
- IV. The Audited Financial Statements of the Company as at and for the financial year ended March 31, 2021 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2021**”).

The Audited Special Purpose Interim Financial Statement as at and for the half year ended September 30, 2023, Audited Financial Statements 2023, Audited Financial Statements 2022 and Audited Financial Statements 2021 are collectively referred hereinafter as **Audited Financial Statements**.

7. For the purpose of our examination, we have relied on:

- a. the Auditors’ reports issued dated December 28, 2023 on Special Purpose Interim Financial Statement as at and for the half year ended September 30, 2023 as referred in Paragraph 6 above;
  - b. the Auditors’ reports issued dated May 18, 2023 on Financial Statements as at and for the year ended March 31, 2023 as referred in Paragraph 6 above;
  - c. the Auditors’ reports issued dated May 18, 2022 on Audited Financial Statements 2022 as at and for the year ended March 31, 2022 as referred in Paragraph 6 above;
  - d. the Auditors’ reports issued dated June 19, 2021 on Audited Financial Statements 2021 as at and for the year ended March 31, 2021 as referred in Paragraph 6 above;
8. Based on our examination and according to the information and explanations given to us and as per the reliance placed on our audit report, we report that the Restated Financial Statements:
- a. have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/ reclassifications (if any) retrospectively in the period ended September 30, 2023 and financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and groupings/ classifications as at and for the half year ended September 30, 2023;

- b. does not contain any qualifications requiring adjustments; and
  - c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We have been subjected to the peer review process of the ICAI and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
  10. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Financial Statements mentioned in paragraph 7 above.
  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 Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchange, and ROC in connection with the proposed FPO. 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 C B Mehta & Associates**  
**Chartered Accountants**  
**ICAI FRN.: 124978W**

**Sd/-**  
**C B Mehta**  
**Proprietor**  
**Membership No.: 116543**  
**Place: Mumbai**  
**Date: December 28, 2023**  
**UDIN: 23116543BGVDJR8514**

**Omfurn India Limited**  
**Restated Statement of Assets and Liabilities**

Annexure 1

(All amounts in Lakh, unless otherwise stated)

Particulars		Note No	As at Sep 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>Equity and Liabilities</b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	(a) Share Capital	<b>3</b>	681.20	681.20	681.20	681.20
	(b) Reserves and Surplus	<b>4</b>	2,181.75	1,892.59	1,477.72	1,417.91
			2,862.95	2,573.79	2,158.92	2,099.11
<b>2</b>	<b>Non-Current Liabilities</b>					
	(a) Long-Term Borrowings	<b>5</b>	142.95	405.90	548.85	570.48
	(b) Other Long- Term Liabilities	<b>6</b>	40.60	40.60	-	28.66
	(c) Long-Term Provisions	<b>7</b>	-	27.68	6.99	0.23
	(d) Deferred Tax Liabilities(Net)	<b>8</b>	37.42	31.06	58.00	67.24
			220.97	505.23	613.84	666.81
<b>3</b>	<b>Current Liabilities</b>					
	(a) Short-Term Borrowings	<b>9</b>	1,747.46	732.20	1,046.31	1,015.51
	Trade Payables	<b>10</b>				
	(i) Total Outstanding due to MSME and		11.36	2.98	31.71	2.99
	(ii) Total outstanding due to other than MSME		1,131.27	1,195.74	573.39	710.12
	(c) Other Current Liabilities	<b>11</b>	459.67	490.63	273.78	120.01
	(d) Short-term Provisions	<b>12</b>	392.30	216.01	68.36	50.79
			3,742.05	2,637.57	1,993.55	1,899.43
	<b>TOTAL</b>		<b>6,825.97</b>	<b>5,716.59</b>	<b>4,766.30</b>	<b>4,665.35</b>
<b>B</b>	<b>Assets</b>					
<b>1.</b>	<b>Non-Current Assets</b>					
	(a) <u>Property, Plant and Equipment and Intangible Assets</u>	<b>13</b>				
	Property, Plant and Equipment		1,054.33	1,080.88	1,012.79	1,086.67
	Intangible Assets		23.82	15.49	-	-
	(b) Non-current investment	<b>14</b>	141.56	110.43	20.03	55.08
	(c) Long- term Loans & Advances	<b>15</b>	168.08	101.66	65.18	81.02
	(d) Other Non- Current Asset	<b>16</b>	136.36	124.38	39.26	38.18
			1,524.15	1,432.84	1,137.26	1,260.94
<b>2</b>	<b>Current Assets</b>					
	(a) Inventories	<b>17</b>	2,045.89	1,883.30	1,610.15	1,639.90
	(b) Trade Receivables	<b>18</b>	2,505.27	1,915.16	1,313.18	926.71
	(c) Cash & Cash Equivalents	<b>19</b>	443.08	304.48	583.30	644.40
	(d) Short-Term Loans & Advances	<b>20</b>	307.58	180.80	122.41	193.40
			5,301.82	4,283.75	3,629.04	3,404.41
	<b>TOTAL</b>		<b>6,825.97</b>	<b>5,716.59</b>	<b>4,766.30</b>	<b>4,665.35</b>

The accompanying notes are an integral part of the Restated Financial Statements.

The above Annexure should be read with the basis of preparation and significant accounting policies, Notes to the Restated Consolidated Financial Information appearing in Annexure 5.

**For C B Mehta & Associates**  
Chartered Accountants

**For Omfurn India Limited**

Sd/-  
C B Mehta  
Proprietor  
M. No.: 116543  
F.R.N.: 124978W  
Place: Mumbai  
Date: December 28, 2023  
UDIN: 23116543BGVDJR8514

Sd/-  
Rajendra C Vishwakarma  
Chairman and MD  
(DIN - 00091492)

Sd/-  
Mahendra C Vishwakarma  
Executive Director & CFO  
(DIN - 00096586)

Sd/-  
Dhara Pratik Shah  
Company Secretary

**Omfurn India Limited**  
**Restated Statement of Profit and Loss**

Annexure 2

(All amounts in Lakh, unless otherwise stated)

Particulars	Note No	Six months ended Sep 30, 2023	Year ended		
			March 31, 2023	March 31, 2022	March 31, 2021
<b>Continuing Operations</b>					
1 Revenue from Operations	21	4,417.99	7,023.40	3,084.09	2,044.90
2 Other Income	22	56.79	84.70	145.69	139.64
<b>Total Income</b>		<b>4,474.78</b>	<b>7,108.10</b>	<b>3,229.79</b>	<b>2,184.54</b>
<b>3 Expenses</b>					
(a) Cost of Materials consumed	23	3,425.43	4,805.93	2,173.18	1,615.34
(b) Changes in Inventories	24	(206.18)	151.52	(73.15)	(227.74)
(c) Employee Benefit Expense	25	370.04	576.14	442.84	339.04
(d) Finance Costs	26	83.49	206.19	137.11	172.55
(e) Depreciation and Amortisation Expense	13	63.93	111.52	114.22	137.16
(f) Other Expenses	27	332.83	744.53	370.38	254.86
<b>Total Expenses</b>		<b>4,069.55</b>	<b>6,595.83</b>	<b>3,164.59</b>	<b>2,291.21</b>
<b>4 Profit / (Loss) Before Tax</b>		<b>405.23</b>	<b>512.27</b>	<b>65.20</b>	<b>(106.66)</b>
<b>5 Tax Expenses:</b>					
(a) Current Tax Expense for the year		109.71	124.34	3.37	-
(b) Deferred Tax		6.36	(26.94)	(9.24)	(7.25)
(c) MAT Credit Entitlement		-	-	11.26	-
<b>Total Tax Expense</b>		<b>116.07</b>	<b>97.40</b>	<b>5.39</b>	<b>(7.25)</b>
<b>6 Profit/ (Loss) for the period</b>		<b>289.16</b>	<b>414.87</b>	<b>59.81</b>	<b>(99.41)</b>
<b>7 Earnings per Equity Share</b>	28				
<b>Basic and Diluted</b>		<b>4.24</b>	<b>6.09</b>	<b>0.88</b>	<b>(1.46)</b>

The accompanying notes are an integral part of the Restated Financial Statements.

The above Annexure should be read with the basis of preparation and significant accounting policies, Notes to the Restated Consolidated Financial Information appearing in Annexure 5.

**For C B Mehta & Associates**  
Chartered Accountants

**For Omfurn India Limited**

Sd/-  
C B Mehta  
Proprietor  
M. No.: 116543  
F.R.N.: 124978W  
Place: Mumbai  
Date: December 28, 2023  
UDIN: 23116543BGVDJR8514

Sd/-  
Rajendra C Vishwakarma  
Chairman and MD  
(DIN - 00091492)

Sd/-  
Mahendra C Vishwakarma  
Executive Director & CFO  
(DIN - 00096586)

Sd/-  
Dhara Pratik Shah  
Company Secretary

**Omfurn India Limited**  
**Restated Cash Flow Statement**

Annexure 3

(All amounts in Lakh, unless otherwise stated)

Particulars	As at 30th Sept 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>(A) Cash flow from operating activities</b>				
Net Profit / (Loss) before tax	405.23	512.27	65.20	(106.66)
<i>Adjustments for:</i>				
Depreciation and amortisation	63.93	111.52	114.22	137.16
Interest on Bank Deposits	(10.12)	(17.33)	(17.36)	(13.73)
Gain on sale of Non-current Investments	-	-	(1.54)	-
Loss on sale of Fixed Assets				
Interest & Finance Charges	83.49	206.19	137.11	172.55
Sundry balances written off	-	143.87	(0.89)	5.01
Net gain/ (loss) on foreign currency transactions	-	-	-	1.17
<b>Operating profit before working capital changes</b>	<b>542.53</b>	<b>956.52</b>	<b>296.74</b>	<b>195.49</b>
<u>Movements in Working Capital</u>				
(Increase)/ Decreases in Trade receivables	(590.11)	(745.84)	(385.58)	299.94
(Increase)/ Decreases in Inventories	(162.59)	(273.15)	29.76	(269.13)
(Increase)/ Decreases in Short-term loans and advances	(126.77)	(58.40)	70.99	5.21
(Increase)/ Decreases in Long Term Loans & Advances	(66.42)	(36.47)	4.57	59.14
(Increase)/ Decreases in Other Non-Current Assets	(11.98)	(85.13)	(1.08)	(38.18)
Increase/ (Decrease) in Trade payables	(56.10)	593.63	(108.01)	(133.83)
Increase/ (Decrease) in Short Term Borrowings	1,015.26	(314.12)	30.80	330.98
Increase/ (Decrease) in Short Term Provisions	176.29	147.65	17.56	26.06
Increase/ (Decrease) in Other current liabilities	(30.97)	216.86	153.76	(187.93)
<b>Cash Generated from Operations</b>	<b>689.15</b>	<b>401.55</b>	<b>109.50</b>	<b>287.75</b>
Less: Tax paid	109.71	124.34	3.37	-
<b>Net Cash generated from Operating Activities</b>	<b>579.44</b>	<b>277.21</b>	<b>106.14</b>	<b>287.75</b>
<b>(B) Cash flow from investing activities</b>				
Purchase of Fixed assets/ Capital work in progress	(45.71)	(203.77)	(46.65)	(3.05)
Sale of Fixed assets/ Subsidy received on Capital Assets	-	2.20	1.10	39.18
Gain on sale of Non-current Investments	-	-	1.54	-
Interest on Bank Deposits	10.12	17.33	17.36	13.73
Investment in Non Current Investments	(31.13)	(90.40)	35.04	110.96
<b>Net Cash Generated from Investing Activities</b>	<b>(66.72)</b>	<b>(274.63)</b>	<b>8.39</b>	<b>160.81</b>
<b>(C) Cash flow from financing activities</b>				
Interest & Finance Charges	(83.49)	(206.19)	(137.11)	(172.55)
Long Term Borrowings	(262.95)	(142.95)	(21.63)	128.75
Long Term Provisions	(27.68)	20.68	6.76	0.23
Other Long-Term Liabilities	-	40.60	(28.86)	14.43
<b>Net cash generated from Financing Activities</b>	<b>(374.11)</b>	<b>(287.86)</b>	<b>(180.84)</b>	<b>(29.14)</b>
Net Increase/(Decrease) in cash & cash equivalent	138.60	(278.82)	(61.10)	419.43
Add: Cash & Cash equivalent at the beginning of the period	304.48	583.30	644.40	224.97
<b>Cash &amp; Cash equivalent at the end of the period</b>	<b>443.08</b>	<b>304.48</b>	<b>583.30</b>	<b>644.40</b>
<u>Components of cash &amp; cash equivalent</u>				
Cash in hand	0.44	0.17	0.16	0.22
Balances with banks	442.64	304.32	583.14	644.18
<b>Cash &amp; Cash equivalent considered for cash flow statement</b>	<b>443.08</b>	<b>304.48</b>	<b>583.30</b>	<b>644.40</b>

For C B Mehta & Associates  
Chartered Accountants

For Omfurn India Limited

Sd/-  
C B Mehta  
Proprietor  
M. No.: 116543  
F.R.N.: 124978W  
Place: Mumbai  
Date: December 28, 2023  
UDIN: 23116543BGVDJR8514

Sd/-  
Rajendra C Vishwakarma  
Chairman and MD  
(DIN - 00091492)

Sd/-  
Mahendra C Vishwakarma  
Executive Director & CFO  
(DIN - 00096586)

Sd/-  
Dhara Pratik Shah  
Company Secretary

## Annexure 4 - Statement of Significant Accounting Policies to Restated Financial Statement

### Note 1: Corporate Information

Omfurn India Limited ('the Company') is a Public Limited Company, limited by shares, domiciled in India, and incorporated under the Companies Act 1956. The Company was converted into a public limited company with effect from 15th June 2017 and subsequently got listed on the National Stock Exchange of India Limited (NSE).

The Company is mainly engaged in the business of manufacturing and supplying of furniture like Executive office furniture, international school furniture, Modular office furniture and Kitchen, Bedroom Furniture, wooden doors & frames, etc. in terms of customized, system based or Turnkey projects throughout India. The Company also specializes in the design and execution of turnkey interior projects by bringing together under the same roof all the resources necessary to meet the needs of any fit-out project.

### Note 2: Basis of preparation and measurement and Significant Accounting policies

#### 2.1 Basis of Accounting and preparation of Financial Statements

The Restated Statement of Assets and Liabilities (Annexure I) of the Company as at September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the financial period ended September 30, 2023 and financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 (hereinafter collectively referred to as "Restated Financial Statements") have been extracted by the management from the audited financial statements for the period ended September 30, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021, approved by the respective Board of Directors of the companies.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the relevant provisions of Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – noncurrent classification of assets and liabilities.

#### 2.2 Use of Estimates

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles that requires the Management to make estimates and assumptions considered in reported amount of assets and liabilities (including contingent liabilities) and the income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

#### 2.3 Property Plant & Equipment and Depreciation there on

Property Plant & Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation, and impairment loss, if any.

The cost of Property Plant & Equipment comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Property Plant & Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously ascertained standard of performance.

The Company has applied the estimated useful life as specified in Schedule II and calculated depreciation based on rates worked as per applicable accounting standard and guidance note issued by ICAI as under: -

Type of Asset	Period
Computer Equipment	3 years
Furniture & Fixtures	10 years
Office Equipments	5 years
Plant & Machinery	15 years
Motor Vehicles	10 years

Factory Building	30 years
Other Buildings	60 years
Electrical Installations	10 years

## 2.4 Intangible Assets and Amortization there on

Items of Intangible Assets are recognized and measured at cost less accumulated amortization and impairment losses, if any. The cost of intangible assets comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

Intangible assets are amortized over their estimated useful life using straight line method.

Software is amortized over a period of five years. Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

## 2.5 Impairment of Assets

An asset is considered as impaired in accordance with AS-28 in Impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e., the higher of assets' net selling price and value in use). The carrying amount is reduced to the recoverable amount and reduction is recognized as an impairment loss in the Statement of Profit & Loss. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

## 2.6 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to, and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

## 2.7 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-Term investments are valued at cost and provision for diminution in value thereof is made, wherever such diminution is other than temporary.

## 2.8 Inventories

Items of Inventories are valued at lower of cost and net realizable value.

Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and proportionate manufacturing overheads incurred in bringing the inventories to their present location and condition.

## 2.9 Revenue Recognition

Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the Company and its revenue can be reliably measured. Revenue is measured on accrual basis at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the Central or the State government.

### Supply of Goods

Revenue is recognized when significant risks and rewards of ownership of the goods have passed to the buyer. Net Turnover from operations represents amount of turnover after deduction of discounts and Goods and Services tax.

### Sale of services

Revenue from Sale of services is recognised on accrual basis as and when the service provision is completed. It is recognized net of discounts and Goods and Services Tax.

#### Interest Income

Interest income is recognised on a proportionate basis considering the amount outstanding and the rate applicable.

#### Government Grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/ subsidy will be received.

Government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Grants related to revenue are recognised in the Statement of Profit and Loss on a systematic basis to match them with related costs.

#### **2.10 Insurance Claims**

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

#### **2.11 Goods and Services Tax Input Tax Credit**

The Company has claimed input tax credit in terms of Chapter V of the CGST Act, 2017 and the Rules made there under in respect of inputs, input services and capital goods used for the purposes of the business. To the extent of ineligible credits, the same are added to their respective heads of expenses/ capital goods.

#### **2.12 Cash and Cash Equivalents**

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.

#### **2.13 Foreign Currency Transactions**

The Company's financial statements are prepared in Indian Rupees which is the Company's functional currency.

The Transactions in foreign currency are recorded in the functional currency at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items, including those of foreign operations integral in nature, denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization/ payment of foreign exchange are accounted for in the relevant year as income or expense.

#### **2.14 Taxes on income**

Current Tax comprises of expected tax payable or recoverable for the year and any adjustment in respect of previous years. It is measured using tax rates provided under the Income Tax Act, 1961.

Deferred Tax is recognized, subject to consideration of prudence, on timing difference between taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods.

#### **2.15 Sundry Debtors, Loans and Advances**

Sundry Debtors, Loans and Advances are stated at the value if realised in the ordinary course of business. Irrecoverable amounts, if any are accounted for and/ or provided for as per the decision of the management or upon final settlement with the parties.

#### **2.16 Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized in terms of Accounting Standard (AS-29) –Provisions, Contingent Liabilities and Contingent Assets notified pursuant to Companies (Accounting Standards) Rules, 2006, when there is present legal or statutory obligation as result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a realizable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having largely probable outflow of resources are provided for Contingent Liabilities.

The Company has FDRs in bank and has investment in Union Balanced Advantage Fund (Note 12) against which margin money towards bank guarantee is adjusted by bank as and when issued.



### **2.17 Earnings per share**

Basic earnings per share are calculated in accordance with Accounting Standard (AS-20) – Earning per share. The Basic Earnings per share is arrived by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all the periods presented for bonus shares issued during the reporting period.

### **2.18 Previous year figures**

Previous year's figures have been regrouped and rearranged wherever necessary to make comparable with those of Current Year

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

<b>3 Share Capital</b>		<b>As at Sept 30, 2023</b>		<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
		No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
<b>(a)</b>	<b>Authorised Share Capital</b>								
	Equity Shares of ₹ 10/- each with voting rights	1,00,00,000	1,000.00	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000
		<b>1,00,00,000</b>	<b>1,000</b>	<b>1,00,00,000</b>	<b>1,000</b>	<b>1,00,00,000</b>	<b>1,000</b>	<b>1,00,00,000</b>	<b>1,000</b>
<b>(b)</b>	<b>Issued, Subscribed and fully paid up</b>								
	68,12,000 Equity Shares of ₹10/- each with voting rights	68,12,000	681.20	68,12,000	681.20	68,12,000	681.20	68,12,000	681.20
		<b>68,12,000</b>	<b>681.20</b>	<b>68,12,000</b>	<b>681.20</b>	<b>68,12,000</b>	<b>681.20</b>	<b>68,12,000</b>	<b>681.20</b>
<b>(c)</b>	<b>Reconciliation of no. of shares outstanding at the beginning &amp; at the end of the period</b>								
	<b>Equity Shares</b>								
	- At the beginning of the period	68,12,000.00	681.20	68,12,000.00	681.20	68,12,000.00	681.20	68,12,000.00	681.20
	- Issued during the period	-	-	-	-	-	-	-	-
	- At the end of the period	68,12,000.00	681.20	68,12,000.00	681.20	68,12,000.00	681.20	68,12,000.00	681.20
	The Company has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share								
<b>(d)</b>	<b>Details of Shareholders holding more than 5% Equity Shares in the Company</b>								
	<b>Shareholder holding equity shares with voting rights</b>	<b>As at Sept 30, 2023</b>		<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
		No of Shares	% of holding	No of Shares	% of holding	No of Shares	% of holding	No of Shares	% of holding
(i)	Rajendra Chitbahal Vishwakarma	14,00,000.00	20.55	14,00,000.00	20.55	14,00,000.00	20.55	14,00,000.00	20.55
(ii)	Mahendra Chitbahal Vishwakarma	14,00,000.00	20.55	14,00,000.00	20.55	14,00,000.00	20.55	14,00,000.00	20.55
(iii)	Narendra Chitbahal Vishwakarma	8,50,000.00	12.48	8,50,000.00	12.48	8,50,000.00	12.48	8,50,000.00	12.48
(iv)	Ravindra Chitbahal Vishwakarma	6,00,000.00	8.81	6,00,000.00	8.81	6,00,000.00	8.81	6,00,000.00	8.81
<b>(e)</b>	<b>Details of Promoter shareholding of Equity Shares in the Company</b>								
	<b>Shareholder holding equity shares with voting rights</b>	<b>As at Sept 30, 2023</b>		<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
		% of holding	Change during the year	% of holding	Change during the year	% of holding	Change during the year	% of holding	Change during the year
(i)	Rajendra Chitbahal Vishwakarma	20.55	NIL	20.55	NIL	20.55	NIL	20.55	NIL
(ii)	Mahendra Chitbahal Vishwakarma	20.55	NIL	20.55	NIL	20.55	NIL	20.55	NIL

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

<b>4</b>	<b>Reserves and Surplus</b>				
	<b>Particulars</b>	<b>As at Sep 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
<b>a</b>	<b>Surplus/ (Deficit) in Statement of Profit and Loss</b>				
	Opening Balance	1,715.07	1,300.20	1,240.40	1,347.23
	Less: Gratuity for the Previous Year	-	-	-	(10.16)
	Less: Tax Expense for the Previous Year	-	-	-	2.74
	Add: Profit / (Loss) for the period	289.16	414.87	59.81	(99.41)
		2,004.23	1,715.07	1,300.20	1,240.40
<b>b</b>	<b>Securities Premium</b>				
	Opening Balance	177.51	177.51	177.51	177.51
	Add: Premium on shares issued during the period	-	-	-	-
	Less: Utilised during the period	-	-	-	-
		177.51	177.51	177.51	177.51
	<b>TOTAL</b>	<b>2,181.75</b>	<b>1,892.59</b>	<b>1,477.72</b>	<b>1,417.91</b>

<b>5</b>	<b>Long Term Borrowings</b>				
	<b>Particulars</b>	<b>As at Sep 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
<b>a</b>	<b>Term Loans from Banks</b>				
	Secured	349.30	425.55	604.75	677.30
	Less: Installments due within 12 months	(206.35)	(192.79)	(179.20)	(206.53)
		142.95	232.76	425.55	470.77
<b>b</b>	<b>Loans and advances from related parties</b>				
	Unsecured				
	Directors of the Company	-	172.25	119.74	93.85
<b>c</b>	<b>Long-term maturities of finance lease obligations</b>				
	Secured				
	Vehicle Loans	2.14	3.33	5.58	7.88
	Less: Installments due within 12 months	(2.14)	(2.44)	(2.03)	(2.02)
		-	0.89	3.56	5.86
	<b>TOTAL</b>	<b>142.95</b>	<b>405.90</b>	<b>548.85</b>	<b>570.48</b>

**1. Term Loans from Banks are secured by:**

a. Mortgage of following Immovable Properties:

- Factory Land & Building on Plot No. 6/7/8, New GIDC, 52 Hector (Expansion) Industrial Area, Umbergaon Indl Estate, Valsad
- 305, Western Edge II, Kanakia Spaces, W E Highway, Borivali East, Mumbai
- 106/ 107, Gundecha Industrial Estate, Akurli Road, Kandivali East, Mumbai

b. Hypothecation of Company's Stock and Trade Receivables, both present and future

c. Personal guarantee of 3 directors, Mr. Rajendra C. Vishwakarma, Mr. Narendra C. Vishwakarma and Mr. Mahendra C. Vishwkarma

d. Bank lien on Recurring Deposit Account

**2. Vehicle loans are secured against specified assets**

**3. For the current maturities of long-term borrowings, refer Note on Short Term Borrowings.**

**4. Details of terms of repayment for long-term borrowings and security provided in respect of the secured long-term borrowings:**

**Omfurn India Limited**

**Annexure 5 - Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

a. Secured Term loan of ₹ 1.91 crores (previous year ₹ 2.95 crores) borrowed @ 11.30% p.a. from Union Bank of India repayable by Apr 2024.

b. Secured Term loan of ₹ 94.95 lakh (previous year ₹ 1.70 crores) borrowed @ 7.50% p.a. from Union Bank of India repayable by May 2024.

c. Secured Term loan of ₹ 1.40 crores (previous year ₹ 1.40 crores) borrowed @ 7.50% p.a. from Union Bank of India repayable by January 2027.

d. Secured Vehicle Term loan of ₹ 3.33 lakh (previous year ₹ 5.58 lakh) borrowed @ 7.75% p.a. from Union Bank of India repayable by Sept 2024.

6	Other Long Term Liabilities				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	<b>Security deposits received</b>				
	Lease rental Deposit	40.60	40.60	-	28.86
	<b>TOTAL</b>	<b>40.60</b>	<b>40.60</b>	<b>-</b>	<b>28.86</b>

7	Long Term Provisions				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	<b>Provision for Gratuity</b>				
	Gratuity Provision	-	27.68	6.99	0.23
	<b>TOTAL</b>	<b>-</b>	<b>27.68</b>	<b>6.99</b>	<b>0.23</b>

8	Deferred Tax Liability				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	<b>Tax difference on account of</b>				
	Difference in Depreciation as per IT & as per Companies Act	42.20	31.85	65.22	71.95
	Gratuity allowed, on Payment Basis under IT Act	(4.79)	(0.80)	(7.22)	(4.71)
	<b>TOTAL</b>	<b>37.42</b>	<b>31.06</b>	<b>58.00</b>	<b>67.24</b>

9	Short Term Borrowings				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	<b>Loans repayable on demand</b>				
	From Banks				
	Secured				
	- Cash Credit account with Union Bank of India	1,538.97	536.97	865.09	806.97
b	<b>Current maturities of long term debts</b>				
	- Term loans from banks	206.35	192.79	179.20	206.53
c	<b>Current maturities of finance lease obligations</b>				
	- Vehicle loans	2.14	2.44	2.03	2.02
	<b>TOTAL</b>	<b>1,747.46</b>	<b>732.20</b>	<b>1,046.31</b>	<b>1,015.51</b>

**Notes:**

- Cash Credit facility from Union Bank of India is secured by hypothecation of stocks and trade receivables, both present and future as well as by the mortgage of the specified immovable properties and personal guarantee of the 3 directors, Mr. Rajendra C Vishwakarma, Mr. Narendra C Vishwakarma and Mr. Mahendra C Vishwakarma.
- The Cash Credit facility carries interest rate of 8.90%

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

<b>10</b>	<b>Trade Payables</b>				
	<b>Particulars</b>	<b>As at Sep 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
<b>a</b>	<u>Other trade payables</u>				
	(i) Total outstanding due to MSME	11.36	2.98	31.71	2.99
	(ii) Total outstanding due to Other than MSME	1,131.27	1,195.74	573.39	710.12
	<b>TOTAL</b>	<b>1,142.63</b>	<b>1,198.72</b>	<b>605.10</b>	<b>713.11</b>

\* For Trade Payable Ageing, see Notes to Accounts No. 35.

<b>11</b>	<b>Other Current Liabilities</b>				
	<b>Particulars</b>	<b>As at Sep 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
<b>a</b>	<u>Other payables</u>				
	Statutory Remittances	169.31	92.03	86.52	9.53
	Advance from Customers	290.35	398.60	187.25	110.48
	<b>TOTAL</b>	<b>459.67</b>	<b>490.63</b>	<b>273.78</b>	<b>120.01</b>

<b>12</b>	<b>Short Term Provisions</b>				
	<b>Particulars</b>	<b>As at Sep 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
<b>a</b>	<u>Provision for Employee Benefits</u>				
	Provision for Salaries and Wages	50.96	38.53	31.42	24.67
	Provision for Gratuity	18.42	24.56	21.10	17.89
<b>b</b>	Provision for Income Tax	234.05	124.34	-	-
<b>c</b>	<u>Provision - Others</u>				
	Provision for Expenses	88.88	28.58	15.83	8.23
	<b>TOTAL</b>	<b>392.30</b>	<b>216.01</b>	<b>68.36</b>	<b>50.79</b>

**13 Property, Plant and Equipment and Intangible Assets**

**Half Year ended September 30, 2023**

<b>Assets</b>	<b>Gross Block</b>				<b>Provision for Depreciation</b>				<b>Written Down Value</b>	
	Opening Balance	Additions	Disposals / Adjustments	Closing Balance	Opening Balance	Depreciation charged during the year	Disposals	Closing Balance	As on September 30, 2023	As on March 31, 2023
Land	130.06	-	-	130.06	-	-	-	-	130.06	130.06
Buildings	1,091.94	7.22	-	1,099.16	568.03	19.56	-	587.59	511.57	523.91
Vehicles	48.72	-	-	48.72	43.65	0.54	-	44.20	4.52	5.06
Plant and machinery	1,131.53	9.46	-	1,140.99	729.65	36.17	-	765.82	375.17	401.88
Furniture and Fixtures	5.03	12.64	-	17.67	3.75	1.41	-	5.16	12.50	1.28
Office Equipment	25.81	1.42	-	27.23	22.21	0.70	-	22.91	4.32	3.60
<u>Others:</u>	-	-	-	-	-	-	-	-	-	-
Electrical Installations	58.10	0.23	-	58.34	49.91	0.91	-	50.81	7.52	8.20
Computers	35.31	3.95	-	39.26	28.41	2.18	-	30.60	8.66	6.90
Software	17.50	10.80	-	28.30	2.01	2.46	-	4.47	23.82	15.49
<b>Total</b>	<b>2,544.01</b>	<b>45.71</b>	<b>-</b>	<b>2,589.72</b>	<b>1,447.63</b>	<b>63.93</b>	<b>-</b>	<b>1,511.56</b>	<b>1,078.16</b>	<b>1,096.37</b>

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Year ended March 31, 2023**

Assets	Gross Block				Provision for Depreciation				Written Down Value	
	Opening Balance	Additions	Disposals/ Adjustments	Closing Balance	Opening Balance	Depreciation charged during the year	Disposals	Closing Balance	As on March 31, 2023	As on March 31, 2022
Land	130.06	-	-	130.06	-	-	-	-	130.06	130.06
Buildings	1,091.94	-	-	1,091.94	525.67	42.36	-	568.03	523.91	313.57
Vehicles	48.72	-	-	48.72	42.19	1.47	-	43.65	5.06	252.70
Plant and machinery	1,097.29	177.73	143.49	1,131.53	804.53	59.95	134.83	729.65	401.88	6.53
Furniture and Fixtures	3.99	1.05	-	5.03	3.70	0.05	-	3.75	1.28	2.60
Office Equipment	24.05	1.76	-	25.81	21.45	0.76	-	22.21	3.60	0.29
Others:	-	-	-	-	-	-	-	-	-	292.75
Electrical Installations	58.10	-	-	58.10	47.53	2.38	-	49.91	8.20	10.58
Computers	29.58	5.73	-	35.31	25.86	2.55	-	28.41	6.90	3.72
Software	-	17.50	-	17.50	-	2.01	-	2.01	15.49	-
<b>Total</b>	<b>2,483.73</b>	<b>203.77</b>	<b>143.49</b>	<b>2,544.01</b>	<b>1,470.94</b>	<b>111.52</b>	<b>134.83</b>	<b>1,447.63</b>	<b>1,096.37</b>	<b>1,012.79</b>

**Year ended March 31, 2022**

Assets	Gross Block				Provision for Depreciation				Written Down Value	
	Opening Balance	Additions	Disposals/ Adjustments	Closing Balance	Opening Balance	Depreciation charged during the year	Disposals	Closing Balance	As on March 31, 2022	As on March 31, 2021
Leasehold Land	130.06	-	-	130.06	-	-	-	-	130.06	130.06
Factory Building	634.40	10.90	-	645.30	301.20	30.53	-	331.74	313.57	333.20
Buildings	446.64	-	-	446.64	179.24	14.70	-	193.94	252.70	267.40
Vehicles	48.72	-	-	48.72	40.25	1.93	-	42.19	6.53	8.46
Office Equipment	23.07	0.98	-	24.05	20.71	0.74	-	21.45	2.60	2.36
Furniture and Fixtures	3.99	-	-	3.99	3.61	0.09	-	3.70	0.29	0.37
Plant and machinery	1,094.98	29.72	27.41	1,097.29	763.27	62.37	21.10	804.53	292.75	331.71
Electrical Installations	55.32	2.79	-	58.10	44.55	2.98	-	47.53	10.58	10.77
Computers	27.33	2.26	-	29.58	24.99	0.87	-	25.86	3.72	2.34
Software	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,464.49</b>	<b>46.65</b>	<b>27.41</b>	<b>2,483.73</b>	<b>1,377.82</b>	<b>114.22</b>	<b>21.10</b>	<b>1,470.94</b>	<b>1,012.79</b>	<b>1,086.67</b>

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Year ended March 31, 2021**

Assets	Gross Block				Provision for Depreciation				Written Down Value	
	Opening Balance	Additions	Disposals/ Adjustments	Closing Balance	Opening Balance	Depreciation charged during the year	Disposals	Closing Balance	As on March 31, 2021	As on March 31, 2020
Leasehold Land	130.06	-	-	130.06	-	-	-	-	130.06	130.06
Factory Building	649.51	-	15.11	634.40	266.90	34.30	-	301.20	333.20	382.60
Buildings	446.64	-	-	446.64	163.53	15.71	-	179.24	267.40	283.11
Vehicles	48.72	-	-	48.72	37.52	2.74	-	40.25	8.46	11.20
Office Equipment	22.28	0.78	-	23.07	19.74	0.97	-	20.71	2.36	2.54
Furniture and Fixtures	3.99	-	-	3.99	3.48	0.13	-	3.61	0.37	0.51
Plant and machinery	1,116.59	1.40	23.02	1,094.98	685.01	78.26	-	763.27	331.71	431.58
Electrical Installations	56.14	0.22	1.05	55.32	41.03	3.52	-	44.55	10.77	15.11
Computers	26.69	0.64	-	27.33	23.45	1.54	-	24.99	2.34	3.24
Software	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,500.62</b>	<b>3.05</b>	<b>39.18</b>	<b>2,464.49</b>	<b>1,240.66</b>	<b>137.16</b>	<b>-</b>	<b>1,377.82</b>	<b>1,086.67</b>	<b>1,259.95</b>

<b>14 Non Current Investments</b>					
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
<b>a</b>	<u>Investment in Equity Instruments</u>				
	In Equity shares of Union Bank of India Limited [200 equity shares of Rs 16 each]	0.03	0.03	0.03	0.03
<b>b</b>	<u>Investment in Mutual funds</u>				
	In Union Balanced Advantage Fund	80.00	80.00	20.00	-
	In Union Hybrid Equity Fund	-	-	-	50.00
<b>c</b>	<u>Other Non current Investments</u>				
	Recurring Deposit with Bank	61.53	30.40	-	5.04
	<b>TOTAL</b>	<b>141.56</b>	<b>110.43</b>	<b>20.03</b>	<b>55.08</b>

<b>15 Long Term Loans and Advances</b>					
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
<b>a</b>	Advance given	-	-	-	5.66
<b>b</b>	Advance Income Tax	168.08	101.66	65.18	75.36
	<b>TOTAL</b>	<b>168.08</b>	<b>101.66</b>	<b>65.18</b>	<b>81.02</b>

<b>16 Other Non-Current Assets</b>					
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
<b>a</b>	Security Deposits	50.20	40.60	39.26	38.18
<b>b</b>	Term Deposits	86.16	83.78	-	-
	<b>TOTAL</b>	<b>136.36</b>	<b>124.38</b>	<b>39.26</b>	<b>38.18</b>

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

17	Inventories				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	Raw Materials	765.68	809.27	384.60	487.50
b	Semi Finished goods	403.24	450.96	272.71	507.15
c	Work In Progress	876.96	623.07	952.83	645.25
	<b>TOTAL</b>	<b>2,045.89</b>	<b>1,883.30</b>	<b>1,610.15</b>	<b>1,639.90</b>

18	Trade Receivable				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	<u>Trade Receivables Considered Good - Unsecured</u>				
a	Outstanding for a period exceeding six months	-	584.97	585.66	540.72
b	Outstanding for a period less than six months	2,505.27	1,330.20	727.53	385.99
	<b>TOTAL</b>	<b>2,505.27</b>	<b>1,915.16</b>	<b>1,313.18</b>	<b>926.71</b>

19	Cash and Cash balances				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	Cash on hand	0.44	0.17	0.16	0.22
b	Balances with Banks				
	- In Current Accounts	198.83	66.10	215.31	351.57
	- In Deposit Accounts	243.81	238.21	367.83	292.62
	<b>TOTAL</b>	<b>443.08</b>	<b>304.48</b>	<b>583.30</b>	<b>644.40</b>

20	Short Term Loans and Advances				
	Particulars	As at Sep 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
a	Advance for Expenses	101.32	84.37	52.24	22.97
b	Loans and Advances to Employees	8.69	2.01	2.05	2.44
c	Prepaid Expenses	7.03	15.34	11.19	11.59
d	Balance with Government Authorities	190.53	79.08	56.93	156.40
	<b>TOTAL</b>	<b>307.58</b>	<b>180.80</b>	<b>122.41</b>	<b>193.40</b>

21	Revenue from Operations				
	Particulars	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	Sale of Products	4,417.99	5,222.44	1,596.37	915.05
	Sale of Services	-	1,800.96	1,487.73	1,129.85
	<b>TOTAL</b>	<b>4,417.99</b>	<b>7,023.40</b>	<b>3,084.09</b>	<b>2,044.90</b>



**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

22	Other Income	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	<b>Particulars</b>				
	<b>Interest Income on</b>				
	- Bank Deposits	10.12	17.33	17.36	13.73
	- Other Interests	-	4.66	4.08	3.93
	Rental Income	35.24	48.80	61.31	56.84
	Insurance Claim Received	-	-	-	8.77
	Dividend received	0.01	0.00	-	-
	Vat Refund	-	-	1.92	-
	Foreign Exchange Fluctuation Gain	1.08	1.69	0.52	-
	Subsidy Received	10.34	12.21	58.96	40.45
	Net gain on sale of Non-current Investments	-	-	1.54	15.92
	<b>TOTAL</b>	<b>56.79</b>	<b>84.70</b>	<b>145.69</b>	<b>139.64</b>

23	Cost of Material Consumed	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	<b>Particulars</b>				
	Opening Stock of Raw Materials	809.27	384.60	487.50	446.12
	<b>Add: Purchases</b>	-	-	-	-
	- Raw Materials	2,405.07	4,179.82	1,487.34	1,180.02
	- Sub Contracts	976.77	1,050.78	582.94	476.70
		4,191.11	5,615.20	2,557.78	2,102.84
	Less: Closing Stock of Raw Materials	(765.68)	(809.27)	(384.60)	(487.50)
	<b>TOTAL</b>	<b>3,425.43</b>	<b>4,805.93</b>	<b>2,173.18</b>	<b>1,615.34</b>

24	Changes in Inventories of Work in Progress and Semi Finished Goods	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	<b>Particulars</b>				
	<b>Inventory at end of the period</b>				
	- Semi-Finished goods	403.24	450.96	272.71	507.15
	- Work in progress	876.96	623.07	952.83	645.25
		1,280.20	1,074.03	1,225.54	1,152.40
	<b>Inventory at beginning of the period</b>				
	- Semi-Finished goods	450.96	272.71	507.15	341.41
	- Work in progress	623.07	952.83	645.25	583.25
		1,074.03	1,225.54	1,152.40	924.66
	<b>TOTAL</b>	<b>(206.18)</b>	<b>151.52</b>	<b>(73.15)</b>	<b>(227.74)</b>

25	Employee Benefit Expenses	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	<b>Particulars</b>				
	Salary and Wages, Bonus etc.	310.73	470.85	367.46	278.43
	Contribution to provident fund and other funds	40.68	50.83	44.14	41.11
	Workmen and Staff Welfare Expenses	18.64	54.46	31.25	19.50
	<b>TOTAL</b>	<b>370.04</b>	<b>576.14</b>	<b>442.84</b>	<b>339.04</b>

26	Finance Cost	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	<b>Particulars</b>				
	<b>Interest Expense on</b>				
	- On Borrowings	58.21	128.13	111.14	142.96
	- On Others (including interest on taxes)	-	-	5.52	2.54
	Other Borrowing Costs	25.28	78.06	20.45	27.04
	<b>TOTAL</b>	<b>83.49</b>	<b>206.19</b>	<b>137.11</b>	<b>172.55</b>

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

27	Other Expenses	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	Particulars				
	Advertisement Expenses	2.01	1.90	1.47	1.04
	Bank Charges	-	0.10	0.08	0.12
	Commission Expenses	2.72	0.85	7.98	12.57
	Coolie and Cartage	38.94	65.88	41.03	19.49
	Communication Expenses	1.63	3.42	3.03	3.02
	Insurance Expenses	16.74	18.91	14.45	11.13
	Legal and Professional Fees	17.81	36.27	25.80	18.69
	Listing and other fees	1.74	1.68	0.80	2.16
	Miscellaneous expenses	11.40	6.26	5.06	3.80
	Motor Car Expenses	-	15.28	13.18	9.82
	Net loss on sale of Assets	-	6.46	5.21	-
	Net Loss on Foreign Currency transaction	-	-	-	1.17
	Other Manufacturing and Operating Expenses	8.97	81.01	36.85	12.54
	Payment to Auditors (refer note 25.01)	3.25	6.50	6.50	6.50
	Postage & Courier Expenses	0.75	2.44	1.30	0.53
	Power and Fuel	45.48	51.24	30.15	18.79
	Printing & Stationery Expenses	3.46	8.87	5.67	3.51
	Rates and Taxes	17.55	27.21	14.25	14.69
	Rents	22.30	35.72	31.59	32.04
	Repairs and Maintenance	15.96	67.54	38.65	30.02
	Security Charges	3.17	7.21	7.21	4.28
	Software Expenses	4.21	1.40	-	-
	Sundry Balances Written off	-	143.87	(0.89)	5.01
	Transportation, Freight, Loading and Unloading Expenses	90.51	114.70	56.35	32.63
	Travelling and Conveyance Expenses	23.91	39.80	24.65	11.32
	<b>TOTAL</b>	<b>332.83</b>	<b>744.53</b>	<b>370.38</b>	<b>254.86</b>

27.1	Payment to Auditors	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	Particulars				
	- As Statutory Auditors	3.25	6.50	6.50	6.50
	<b>TOTAL</b>	<b>3.25</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>

28	Earning Per Equity Share	For the Period/ Year ended			
		Sep 30, 2023	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	Particulars				
	<u>Basic/Diluted Earnings Per Share</u>				
	Profit/ (loss) attributable to Equity Shareholders	289.16	414.87	59.81	(99.41)
	Weighted Average number of equity shares	68,12,000	68,12,000	68,12,000	68,12,000
	Basic Earnings per share in ₹	4.24	6.09	0.88	(1.46)
	Face Value per share in ₹	10	10	10	10

**Omfurn India Limited****Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 29 Micro, Small & Medium Enterprises Development Act, 2006**

Based on the information available with the Company, none of suppliers have been identified, who are registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED) to whom the Company owes and the same is outstanding for more than 45 days as at respective period end. The information has been determined to the extent such parties have been identified based on information available within the Company. This has been relied upon by the auditors.

**Note 30 Segment Information**

The Company's business activity falls within a single primary business segment viz. manufacturing and supply of furniture items. Also, the Company is operating in Indian market; hence there is no reportable geographic /secondary segment. Accordingly, no disclosure is required under AS-17.

**Note 31 Foreign Currency Transactions**

For the Financial Year 2022-23, 2021-22 and 2020-21 there are no foreign exchange earnings. Foreign Currency outgoings used for Import Purchase and Repairs/ Purchase of Capital Goods are as under:

Financial Year	Foreign Currency outgoings (₹ in Lakh)
2022-23	131.03
2021-22	23.04
2020-21	39.94

**Note 32 Employee Benefits**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

Table Showing Changes in Present Value of Obligations:	As at 30 Sep, 2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
Present value of the obligation at the beginning of the period	113.77	97.45	79.89	68.91
Interest cost	4.27	7.31	5.99	5.17
Current service cost	5.10	9.06	7.72	6.50
Past Service Cost	-	-	-	-
Benefits paid (if any)	-4.45	-11.85	-4.58	-7.37
Actuarial (gain)/loss	8.46	11.81	8.43	6.69
<b>Present value of the obligation at the end of the period</b>	<b>127.14</b>	<b>113.77</b>	<b>97.45</b>	<b>79.89</b>
Key results (The amount to be recognized in the Balance Sheet):	As at 30 Sep, 2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
Present value of the obligation at the end of the period	127.14	113.77	97.45	79.89
Fair value of plan assets at end of period	108.73	61.54	69.35	61.77
Net liability/(asset) recognized in Balance Sheet and related analysis	18.42	52.24	28.10	18.12
Funded Status - Surplus/ (Deficit)	-18.42	-52.24	-28.10	-18.12
Expense recognized in the statement of Profit and Loss:	01-04-2023 To 30-09-2023	01-04-2022 To 31-03-2023	01-04-2021 To 31-03-2022	01-04-2020 To 31-03-2021
Interest cost	4.27	7.31	5.99	5.17
Current service cost	5.10	9.06	7.72	6.50
Past Service Cost	-	-	-	-
Expected return on plan asset	-2.23	-5.20	-4.63	-4.41
Net actuarial (gain)/loss recognized in the period	8.72	12.98	9.40	7.72
Expenses to be recognized in P&L	15.85	24.14	18.47	14.98
Table showing changes in the Fair Value of Planned Assets:	As at 30 Sep, 2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
Fair value of plan assets at the beginning of the period	61.54	69.35	61.77	58.74
Expected return on plan assets	2.23	5.20	4.63	4.41
Contributions	49.67	-	8.50	7.02
Benefits paid	-4.45	-11.85	-4.58	-7.37
Actuarial gain/(loss) on plan assets	-0.26	-1.17	-0.97	-1.03
Fair Value of Plan Asset at the end of the Period	108.73	61.54	69.35	61.77

<b>Table showing Fair Value of Planned Assets:</b>	<b>As at 30 Sep, 2023</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
Fair value of plan assets at the beginning of the period	61.54	69.35	61.77	58.74
Actual return on plan assets	1.97	4.03	3.67	3.38
Contributions	49.67	-	8.50	7.02
Benefits paid	-4.45	-11.85	-4.58	-7.37
Fair value of plan assets at the end of the period*	108.73	61.54	69.35	61.77
*100% of fund is managed by Insurance Company.				
<b>Actuarial (Gain)/Loss on Planned Assets:</b>	<b>01-04-2023 To 30-09-2023</b>	<b>01-04-2022 To 31-03-2023</b>	<b>01-04-2021 To 31-03-2022</b>	<b>01-04-2020 To 31-03-2021</b>
Actual return on plan assets	1.97	4.03	3.67	3.38
Expected return on plan assets	2.23	5.20	4.63	4.41
Actuarial gain/ (Loss)	-0.26	-1.17	-0.97	-1.03
<b>Actuarial (Gain)/Loss recognized:</b>	<b>01-04-2023 To 30-09-2023</b>	<b>01-04-2022 To 31-03-2023</b>	<b>01-04-2021 To 31-03-2022</b>	<b>01-04-2020 To 31-03-2021</b>
Actuarial (gain)/loss - obligation	8.46	11.81	8.43	6.69
Actuarial (gain)/loss - plan assets	0.26	1.17	0.97	1.03
Total Actuarial (gain)/loss	8.72	12.98	9.40	7.72
Actuarial (gain)/loss recognized	8.72	12.98	9.40	7.72
Outstanding actuarial (gain)/loss at the end of the period	-	-	-	-
<b>Experience adjustment</b>	<b>01-04-2023 To 30-09-2023</b>	<b>01-04-2022 To 31-03-2023</b>	<b>01-04-2021 To 31-03-2022</b>	<b>01-04-2020 To 31-03-2021</b>
Experience Adjustment (Gain ) / loss for Plan liabilities	6.94	11.81	8.43	6.69
Experience Adjustment Gain / (loss ) for Plan assets	-0.26	-1.17	-0.97	-1.03
<b>Actuarial assumptions provided by the Company and employed for the calculations are tabulated:</b>	<b>01-04-2023 To 30-09-2023</b>	<b>01-04-2022 To 31-03-2023</b>	<b>01-04-2021 To 31-03-2022</b>	<b>01-04-2020 To 31-03-2021</b>
Discount rate	7.25%	7.50%	7.50%	7.50%
Salary Growth Rate	5.00%	5.00%	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Expected rate of return	7.25%	7.50%	7.50%	7.50%
Withdrawal rate (Per Annum)	10.00% p.a.	10.00% p.a.	10.00% p.a.	10.00% p.a.
<b>Benefits valued:</b>	<b>01-04-2023 To 30-09-2023</b>	<b>01-04-2022 To 31-03-2023</b>	<b>01-04-2021 To 31-03-2022</b>	<b>01-04-2020 To 31-03-2021</b>
Normal Retirement Age	60 Years			
Salary	Last drawn qualifying salary			
Vesting Period	5 Years of service			
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).			
Benefit on early exit due to death and disability	As above except that no vesting conditions apply			
Limit	2000000			
<b>Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013) :</b>	<b>As at 30 Sep, 2023</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
Current Liability (Short Term)*	18.42	24.56	21.10	17.89
Non Current Liability (Long Term)	-	27.68	6.99	0.23
Total Liability	18.42	52.24	28.10	18.12
<b>Reconciliation of liability in balance sheet</b>	<b>As at 30 Sep, 2023</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
Opening net defined benefit liability/ (asset)	52.24	28.10	18.12	10.16
Expenses to be recognized in P&L	15.85	24.14	18.47	14.98
Employer Contribution	-49.67	-	-8.50	-7.02
Closing net defined benefit liability/ (asset)	18.42	52.24	28.10	18.12

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 33 Related Party Disclosures**

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr. No	Name of Related Party	Relationship
1	Rajendra C Vishwakarma	Managing Director
2	Mahendra C Vishwakarma	Chief Financial Officer
3	Narendra C Vishwakarma	Director
4	Manbhavati Devi R Vishwakarma	Wife of Director
5	Maltidevi M Vishwakarma	Wife of Director
6	Prashant R Vishwakarma	Son of Managing Director & Whole Time Director from 15/07/2023
7	Niklesh R Vishwakarma	Daughter of Managing Director
8	Jayesh M Vishwakarma	Son of Director
9	Dhara P Shah	Company Secretary
10	Vikrant R Vishwakarma	Son of Director
11	Sarita R Vishwakarma	Daughter of Managing Director
12	Karna R Vishwakarma	Son of Managing Director
13	Ravindra L Vishwakarma	Son in Law of Managing Director
14	Jayshankar A Chandira	Executive Additional Director till 28/02/2023
15	Sarita Vishwakarma	Daughter of MD
16	Parmanand M Vishwakarma	Son of Director & Whole Time Director from 15/07/2023
17	Mahesh R Panchal	Director
18	Parag S Edwankar	Director
19	Prasad N Chirravuri	Director
20	Geeta	Director
21	Sudhir J Shah	Director
22	Madhav Deshpande	Director from 15/07/2023

Details of transactions with related parties are as under:

<b>Director Remuneration</b>					
Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21	
Rajendra C Vishwakarma	11.04	11.48	11.48	9.32	
Mahendra C Vishwakarma	10.48	10.60	10.60	8.62	
Narendra C Vishwakarma	13.98	13.51	11.61	8.72	
Prashant R Vishwakarma	2.70	0.00	0.00	0.00	
Parmanand M Vishwakarma	2.70	0.00	0.00	0.00	
Jayshankar A Chandira	0.00	10.26	2.26	0.00	
Mahesh R Panchal	0.00	0.00	0.00	0.40	
Parag S Edwankar	0.20	0.00	0.00	0.00	
Prasad N Chirravuri	0.20	0.00	0.00	0.00	
Geeta	0.20	0.00	0.00	0.00	
Sudhir J Shah	0.20	0.00	0.00	0.00	
Madhav Deshpande	0.05	0.00	0.00	0.00	
<b>Rent</b>					
Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21	
Rajendra C Vishwakarma	4.80	7.40	7.20	7.20	
Manbhavati Devi R Vishwakarma	3.85	5.49	5.29	5.29	
Mahendra C Vishwakarma	3.85	5.49	5.29	5.29	
Maltidevi M Vishwakarma	3.85	5.49	5.29	5.29	
Narendra C Vishwakarma	3.00	6.00	6.00	6.00	
Prashant R Vishwakarma	0.00	0.54	0.00	0.00	
Niklesh R Vishwakarma	0.29	0.54	0.00	0.00	

**Omfurn India Limited****Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Salary**

Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21
Jayesh M Vishwakarma	3.62	5.55	5.40	4.36
Dhara P Shah	1.15	2.22	2.10	1.80
Vikrant R Vishwakarma	3.62	5.55	5.19	3.99
Sarita Vishwakarma	1.74	3.00	2.63	2.10
Prashant R Vishwakarma	3.10	7.40	5.20	3.00
Karna R Vishwakarma	3.64	5.06	4.23	2.93
Ravindra L Vishwakarma	3.62	5.55	0.00	0.00
Parmanand M Vishwakarma	3.10	7.40	5.20	3.00

**Closing balances of Related parties as on:**

<b>On account of Director Remuneration</b>				
Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21
Rajendra C Vishwakarma	3.62	0.70	0.70	0.70
Mahendra C Vishwakarma	3.59	0.64	0.64	0.64
Narendra C Vishwakarma	5.86	0.84	0.84	0.62
Prashant R Vishwakarma	1.28	-	-	-
Parmanand M Vishwakarma	1.22	-	-	-
Jayshankar A Chandira	-	-	0.85	-
<b>On account of Rent</b>				
Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21
Rajendra C Vishwakarma	0.72	0.72	0.54	0.55
Manbhavati Devi R Vishwakarma	0.58	0.58	0.40	0.41
Mahendra C Vishwakarma	0.58	0.58	0.40	0.41
Maltidevi M Vishwakarma	0.58	0.58	0.40	0.41
Narendra C Vishwakarma	0.40	-	-	-
Niklesh R Vishwakarma	0.05	-	-	-

<b>On account of Salary</b>				
Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21
Jayesh M Vishwakarma	0.60	0.41	0.41	0.35
Dhara P Shah	0.18	0.16	0.15	0.15
Vikrant R Vishwakarma	0.60	0.41	0.41	0.35
Sarita Vishwakarma	0.27	0.24	0.19	0.18
Prashant R Vishwakarma	-	0.57	0.57	0.26
Karna R Vishwakarma	0.60	0.38	0.38	0.26
Ravindra L Vishwakarma	0.59	0.41	0.41	0.35
Parmanand M Vishwakarma	-	0.57	0.57	0.26

<b>Directors Loan</b>				
Name of Related Party	Apr 23 - Sep 23	FY 2022-23	FY 2021-22	FY 2020-21
Rajendra C Vishwakarma	-	68.73	26.24	26.24
Mahendra C Vishwakarma	-	68.51	68.50	67.61
Narendra C Vishwakarma	-	35.00	25.00	-

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 34 Analytical Ratios**

Ratio	Measured in	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Current ratio	Times	1.42	1.62	1.82	1.79
Debt-equity ratio	Times	0.66	0.44	0.74	0.76
Debt service coverage ratio	Times	2.05	4.58	2.97	2.91
Return on Equity	%	10.64%	17.53%	2.81%	-4.62%
Inventory turnover ratio	Times	2.25	4.02	1.90	1.36
Trade receivable turnover ratio	Times	2.00	4.35	2.75	1.89
Trade payables turnover ratio	Times	3.21	6.15	3.86	2.40
Net capital turnover ratio	Times	2.83	4.27	1.89	1.36
Net profit ratio	%	6.55%	5.91%	1.94%	-4.86%
Return on capital employed	%	15.85%	23.33%	7.30%	2.38%
Return on investment	%	2.71%	4.95%	3.49%	4.06%

**Ratios and its elements**

Ratio	Numerator	Denominator
Current ratio	Current assets	Current liabilities
Debt-equity ratio	Debt <sup>1</sup>	Total equity
Debt service coverage ratio	Earnings before Interest, Tax and Exceptional Items	Interest Expense + Principal Repayments made during the year for long term loans
Return on Equity	Profit After Tax	Average total equity
Inventory turnover ratio	Revenue from operations	Average inventory
Trade receivable turnover ratio	Revenue from operations	Average trade receivables
Trade payables turnover ratio	Cost of Materials Consumed + Purchases of Stock-in-Trade + Other Expenses	Average trade payables
Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)
Net profit ratio	Profit After Tax	Revenue from operations
Return on capital employed	Earnings before interest and tax	Capital employed <sup>2</sup>
Return on investment	Other Income <sup>3</sup>	Average Cash, Cash Equivalents & Other Marketable Securities

**Note 35 Disclosure related to Trade Payables:**

Ageing for Trade Payables outstanding as at 30th Sept 2023 is as follows					
Particulars	Outstanding for following periods from due date				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Others	1,123.49	19.14	-	-	<b>1,142.63</b>
Disputed dues	-	-	-	-	-
<b>Total</b>	<b>1,123.49</b>	<b>19.14</b>	-	-	<b>1,142.63</b>

Ageing for Trade Payables outstanding as at 31st March 2023 is as follows					
Particulars	Outstanding for following periods from due date				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Others	1,186.96	4.46	1.62	5.67	<b>1,198.72</b>
Disputed dues	-	-	-	-	-
<b>Total</b>	<b>1,186.96</b>	<b>4.46</b>	<b>1.62</b>	<b>5.67</b>	<b>1,198.72</b>

<sup>1</sup> Debt includes long-term borrowings and short-term borrowings

<sup>2</sup> Capital Employed = Total Assets – Current Liabilities

<sup>3</sup> Other Income excludes Rental Income, Insurance claim, VAT refund and Subsidy received

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

Ageing for Trade Payables outstanding as at 31st March 2022 is as follows					
Particulars	Outstanding for following periods from due date				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Others	584.42	6.31	0.28	14.09	605.10
Disputed dues	-	-	-	-	-
<b>Total</b>	<b>584.42</b>	<b>6.31</b>	<b>0.28</b>	<b>14.09</b>	<b>605.10</b>

Ageing for Trade Payables outstanding as at 31st March 2021 is as follows					
Particulars	Outstanding for following periods from due date				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Others	623.19	66.53	5.68	17.71	713.11
Disputed dues	-	-	-	-	-
<b>Total</b>	<b>623.19</b>	<b>66.53</b>	<b>5.68</b>	<b>17.71</b>	<b>713.11</b>

**Note 36 Disclosure related to Trade Receivables:**

Ageing for Trade Receivables outstanding as at 30 <sup>th</sup> Sept 2023 is as follows					
Particulars	Particulars				Total
	Undisputed-Consider Good	Undisputed-Consider Good	Undisputed-Consider Good	Disputed-Considered Doubtful	
Less than 6 months	1,794.89	-	-	-	1,794.89
6 months - 1 years	264.17	-	-	-	264.17
1-2 years	212.39	-	-	-	212.39
2-3 years	120.24	-	-	-	120.24
More than 3 years	113.57	-	-	-	113.57
<b>Total</b>	<b>2,505.27</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>2,505.27</b>

Ageing for Trade Receivables outstanding as at 31st March 2023 is as follows					
Particulars	Particulars				Total
	Undisputed-Consider Good	Undisputed-Consider Good	Undisputed-Consider Good	Disputed-Considered Doubtful	
Less than 6 months	1,330.20	-	-	-	1,330.20
6 months - 1 years	172.72	-	-	-	172.72
1-2 years	161.04	-	-	-	161.04
2-3 years	102.77	-	-	-	102.77
More than 3 years	148.44	-	-	-	148.44
<b>Total</b>	<b>1,915.16</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>1,915.16</b>

Ageing for Trade Receivables outstanding as at 31st March 2022 is as follows					
Particulars	Particulars				Total
	Undisputed-Consider Good	Undisputed-Consider Good	Undisputed-Consider Good	Disputed-Considered Doubtful	
Less than 6 months	722.19	-	-	-	722.19
6 months - 1 years	71.46	-	-	-	71.46
1-2 years	179.31	-	-	-	179.31
2-3 years	27.47	-	-	-	27.47
More than 3 years	312.74	-	-	-	312.74
<b>Total</b>	<b>1,313.18</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>1,313.18</b>



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(Amount in Lakh unless otherwise stated)

<b>Ageing for Trade Receivables outstanding as at 31st March 2021 is as follows</b>					
<b>Particulars</b>	<b>Particulars</b>				<b>Total</b>
	<b>Undisputed- Consider Good</b>	<b>Undisputed- Consider Good</b>	<b>Undisputed- Consider Good</b>	<b>Disputed- Considered Doubtful</b>	
Less than 6 months	405.33	-	-	-	<b>405.33</b>
6 months - 1 years	64.86	-	-	-	<b>64.86</b>
1-2 years	65.59	-	-	-	<b>65.59</b>
2-3 years	55.35	-	-	-	<b>55.35</b>
More than 3 years	335.58	-	-	-	<b>335.58</b>
<b>Total</b>	<b>926.71</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>926.71</b>

**Note 37 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013**

- a. The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.
- b. Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.
- c. The Company is not required to spend on Corporate Social Responsibility (CSR) expenditure, since neither Company's Net worth is ₹ 500 crore or more, Turnover ₹ 1,000 crore or more and nor the Net Profit is ₹ 5 crore or more during immediately preceding year and hence provisions of section 135 of the Act are not applicable.
- d. There are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- e. The Company is not declared as willful defaulter by any bank or financial Institution or other lenders.
- f. The Company does not have central data base of struck off companies in India and hence Company is unable to trace parties with whom it has entered into transactions, which are struck off by Registrar of Companies.
- g. The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.
- h. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- i. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j. The Company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- k. The Company do not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- l. The Company did not trade or invest in Crypto Currency or virtual currency during the Financial Year. Hence, disclosures relating to it are not applicable.

**Omfurn India Limited****Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 38 Reconciliation of Restated Profit:**

Particulars	Half Year ended Sept 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	292.98	390.59	68.18	(93.42)
<b>Adjustments for:</b>				
Provision for gratuity	(5.09)	25.53	(9.97)	(7.96)
Deferred tax on gratuity	3.99	(6.43)	2.51	2.07
Tax adjustment	(2.71)	5.18	(0.91)	(0.10)
Net Profit/ (Loss) After Tax as Restated	289.17	414.87	59.81	(99.41)
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	292.98	390.59	68.18	(93.42)

## Reasoning for adjustments

1. The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits
2. Due to changes in gratuity provision, the deferred tax component on the same has also undergone change.
3. Provision for Taxation has been adjusted for items like Income Tax related to earlier years and short provision for earlier years

**Note 39 Reconciliation of Equity and Reserves:**

Particulars	Half Year ended Sept 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Equity and Reserve as per Audited Balance sheet	2,864.26	2,571.28	2,180.70	2,112.52
<b>Adjustments for:</b>				
Gratuity of previous periods adjusted in opening reserves	-	-	-	(10.16)
Tax Impact on Gratuity				2.74
Cumulative impact of P&L Adjustments (as mentioned in "Reconciliation of Restated Profit table")	(3.81)	24.28	(8.37)	(5.99)
Prior period Adjustments (Refer Note below)	2.50	(21.78)	(13.41)	-
Equity and Reserve as per Restated Balance sheet	2,862.95	2,573.78	2,158.92	2,099.11

Note: Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 40 Statement of Tax shelter**

Particulars	Half Year ended Sept 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
<b>Restated Profit before tax (A)</b>	<b>405.23</b>	<b>512.27</b>	<b>65.20</b>	<b>-106.66</b>
Tax Rate (%)	25.17%	25.17%	25.17%	27.82%
MAT Rate (if applicable)	NA	NA	NA	15.60%
<b>Adjustments :</b>				
<u>36 Disallowance</u>				
- Employees contribution to PF/ ESIC	-	4.26	3.65	8.31
<u>37 Disallowance</u>				
- Donations	-	0.36	-	-
- Interest on TDS	-	0.17	0.10	-
- Loss on sale of fixed assets	-	6.46	5.21	-
40 Disallowance	-	-	-	0.66
<b>Total Permanent Differences(B)</b>	<b>-</b>	<b>11.25</b>	<b>8.97</b>	<b>8.97</b>
Depreciation as per CA Act 2013	63.93	111.52	114.22	137.16
Less: Depreciation as per IT Act 1961	(49.10)	(115.47)	(102.94)	(117.23)
Disallowance/ (allowance) u/s 40A(7)	15.85	(25.53)	9.97	7.96
<u>Deductions considered separately</u>				
- Preliminary Expenses	-	-	-	(11.61)
Income considered separately	-	-	(1.54)	(15.92)
<b>Total Timing Differences (C)</b>	<b>30.68</b>	<b>(29.48)</b>	<b>19.71</b>	<b>0.36</b>
Income From Capital Gains	-	-	1.54	15.92
<b>Losses set off (if any)</b>	<b>-</b>	<b>-</b>	<b>(81.41)</b>	<b>-</b>
<b>Gross Total Income</b>	<b>435.91</b>	<b>494.04</b>	<b>14.01</b>	<b>(81.41)</b>
Less: Deduction u/s 80 G				
Taxable Income/(Loss) (A+D)	435.91	494.04	14.01	(81.41)
<b>Restated Profit</b>	<b>435.91</b>	<b>494.04</b>	<b>14.01</b>	<b>(81.41)</b>
<b>Taxable income</b>	<b>435.91</b>	<b>494.04</b>	<b>14.01</b>	<b>(81.41)</b>
<b>Taxable Income/(Loss) as per MAT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(106.66)</b>
<b>Income Tax as returned/computed</b>	<b>109.71</b>	<b>124.34</b>	<b>3.37</b>	<b>-</b>
<b>Income Tax as MAT</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>-</b>
<b>Tax paid as per normal or MAT</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>

**Omfurn India Limited**

**Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 41 Restated Statement of Mandatory Accounting Ratios**

**Pre-Bonus Table**

Particulars	Half Year ended Sept 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Net Worth (A)	2,862.95	2,573.79	2,158.92	2,099.11
Restated Profit after Tax	289.16	414.87	59.81	(99.41)
Less: Prior Period Item	-	-	-	-
Adjusted Profit after Tax (B)	289.16	414.87	59.81	(99.41)
Number of Equity shares outstanding as on the of year (C)	6812000	6812000	6812000	6812000
Current Assets (D)	5,301.82	4,283.75	3,629.04	3,404.41
Current Liabilities (E)	3,742.05	2,637.57	1,993.55	1,899.43
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earnings Per Share (₹) (B/C)	4.24	6.09	0.88	(1.46)
Return on Net worth (%) (B/A)	10.10%	16.12%	2.77%	-4.74%
Net asset value per share (A/C)	42.03	37.78	31.69	30.81
Current Ratio (D/E)	1.42	1.62	1.82	1.79
Restated Earnings Before Interest Tax Depreciation and Amortization (EBITDA)	552.65	829.99	316.53	203.04
<p>1) The ratios have been computed as below:</p> <p>(a) Basic earnings per share (₹) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year</p> <p>(b) Diluted earnings per share (₹) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS</p> <p>(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year</p> <p>(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year</p> <p>(e) EBITDA has been calculated as Profit before Tax + Depreciation + Interest Expenses</p> <p>2) Net worth for ratios mentioned in note is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).</p> <p>3) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.</p>				

**Post-Bonus Table**

Particulars	Half Year ended Sept 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Adjusted Net Worth (A)	2,862.95	2,573.79	2,158.92	2,099.11
Restated Profit after tax (B)	289.16	414.87	59.81	(99.41)
Adjusted Number of Equity Share outstanding as on the End of Year/Period - Refer Note I(C)	81,74,400	81,74,400	81,74,400	81,74,400
Adjusted Weighted average no of Equity shares at the time of end of the year (D)	81,74,400	81,74,400	81,74,400	81,74,400
Adjusted Restated Basic and Diluted Earning Per Share (INR) (B/D)	3.54	5.08	0.73	(1.22)
Adjusted Return on Net worth (%) (B/A)	10.10%	16.12%	2.77%	(-4.74%)
Adjusted Net asset value per share (A/C) (Face Value of ₹ 10 Each)	35.02	31.49	26.41	25.68

**Omfurn India Limited****Annexure 5- Notes forming part of the Restated Financial Statements**

(Amount in Lakh unless otherwise stated)

**Note 42 Capitalization Statement**

<b>Particulars</b>	<b>Pre-Issue</b>	<b>Post-Issue*</b>
<b>Borrowings</b>		
Short term borrowings	1,747.46	[●]
Long term borrowings	142.95	[●]
<b>Total Borrowings</b>	1,890.41	[●]
<b>Shareholders' Fund (Equity)</b>		
Share Capital	681.20	[●]
Reserves & Surplus	2,181.75	[●]
<b>Total Shareholders' Fund (Equity)</b>	2,862.95	[●]
Long term borrowings / Shareholders' funds	0.05	[●]
<b>Total debt / shareholders' funds</b>	0.66	[●]

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on Restated Consolidated statement of Assets and Liabilities of the Company as at 30.09.2023.
4. Company has allotted bonus shares in the ratio of 1:5 (one equity share for existing 5 equity shares) on October 07<sup>th</sup>.2023, that has not been taken into consideration for this statement.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with the “Restated Financial Statements” on page 149 of this Draft Red Herring Prospectus. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read “Risk Factors” and “Forward Looking Statements” on pages 23 and 16 respectively of this Draft Red Herring Prospectus, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our restated financial statements included in this Draft Red Herring Prospectus are prepared in accordance with Indian GAAP, which differs in certain material respects from other accounting standards such as IFRS and Ind AS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Financial 2023, Financial 2022 and Financial 2021 included herein is based on the Restated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see “Restatement Financial Statements” on page 149 of this Draft Red Herring Prospectus.*

### OVERVIEW

Our Company was originally incorporated as “OM Vishwakarma Furniture Private Limited” as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated November 13, 1997 issued by the Registrar of Companies Mumbai, Maharashtra. Subsequently the name of our Company was changed to Omfurn India Private Limited vide shareholder’s approval on April 03, 2013 and fresh certificate of Incorporation dated April 21, 2013. Subsequently, the name of our Company was changed to Omfurn India Limited pursuant to conversion into public company vide Shareholders approval on May 30, 2017 and fresh certificate of Incorporation dated June 15, 2017 was issued to our Company by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is L20200MH1997PLC111887. The shares of our Company got listed with Emerge Platform of National Stock Exchange of India Limited through Initial Public Offer on October 13, 2017. For further details, please refer to chapter titled “History and Corporate Structure” on page 140 of this Draft Red Herring Prospectus.

Omfurn India Limited is manufacturer and supplier of Pre-Finished Wooden Doors and Modular Furniture in India. We have been in business since November 13, 1997, which gives us a quarter-century of experience in this industry. Since then, we have been reaching remarkable milestones in creation and innovation. We create a wide range of wooden doors and furniture for Modular Kitchens, Wardrobes, Vanities and Modern Office furniture through customized, system-based, or turnkey projects PAN India, got listed in NSE the year 2017.

Our Team consists of professionals specialized in their respective fields. A team of technical administrative, project personnel and engineers work in conjunction with architects, interior designers, management staff, etc., to offer the best accomplished furnished products.

We are deeply committed to our duty to nature and our planet Earth. We believe in providing environmentally sustainable products to protect our heritage for future generations. For this purpose, we are Green Building Certified and have completed Greenfield Projects in India.

Our manufacturing factory in Umbergaon has a total area of 1,61,460 sq. ft. to increase manufacturing capacity and began manufacturing of furniture for premium hotels. The factory is equipped with the latest state-of-the-art CNC woodworking machine from Germany and Italy. We also have an in-house design facility that provides complete furniture solutions, keeping in mind constant evolutions in international designs.

We maintain our quality standards and have proclaimed certifications ISO 9001, 14001, and 45001 under the strict certification rules. We believe our world-class infrastructure is designed to manufacture high-quality furniture products efficiently and effectively. Our in-house manufacturing factory in Umbergaon spans a total area of 1,61,460 sq. ft., which is a validation of our commitment to providing our customers with the best possible products.

Our factory is equipped with state-of-the-art CNC woodworking machines from Germany and Italy. These machines are known for their precision and efficiency, which allow us to manufacture furniture products with exceptional accuracy and quality. Our in-house design facility is also an integral part of our infrastructure, as it enables us to provide complete furniture solutions that are in line with the latest international design trends. We conduct comprehensive testing of raw materials in our quality laboratory at our factory in accordance with both Indian Standards and our internal specifications. Our expert

testing helps us to document the quality and safety of our furniture, which strengthens consumer trust in our brand. By ensuring that all our raw material meet strict quality standards, we can produce furniture products that are not only beautiful but also safe and durable

In addition to our quality laboratory, we also have a dedicated display area in our factory that showcases a wide range of our products. This area provides customers with valuable information about our products, aspirational ideas, and a sneak peek into the value that our furniture can add to their lives. Our display area is designed to help customers make informed decisions about their furniture purchases and to provide them with a memorable and informative shopping experience. We believe that by offering our customers a comprehensive and engaging shopping experience, we can help build long-term relationships based on trust and quality.

Overall, our infrastructure is a key factor that sets us apart from our competitors. We are constantly investing in the latest technology and equipment to ensure that we are at the forefront of the furniture manufacturing industry and that our customers receive only the best products from us.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled “Risk Factors” on page 23 of this Draft Red Herring Prospectus. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- adverse changes in central or state government policies
- trends in the Furniture Sector;
- adverse development that may affect our operations
- performance of our key clients;
- adverse effect of competition on our market share and profits;
- any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
- Any adverse development that may affect the operations of our manufacturing unit;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
  - manage our growth effectively;
  - manage our credit risk;
  - manage our quality of services;
  - hire and retain senior management personnel and other skilled manpower;
  - manage cost of compliance with labor laws or other regulatory developments;
  - manage our operating costs;
  - manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
  - successfully implement our business strategies and expansion plans;
  - maintain effective internal controls;
- adequate and timely supply of equipment and raw materials necessary for our operations;
- Our ability to attract and retain qualified personnel;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India

## **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Restated Financial Statements” on page 149 of this Draft Red Herring Prospectus.

## **CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS**

Except as mentioned in the Notes to the Accounts in the chapter “Restated Financial Statements” on page 149 of this Draft Red Herring Prospectus has been no change in accounting policies in last 3 years.

## **RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS**

The Examination Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

## RESULTS OF OPERATIONS

For Six months' period ending on September 30, 2023

Particulars	Sept 2023	
	₹ in Lakh	% of total income
<b>Income</b>		
Revenue from operations	4,417.99	98.73
Other Income	56.79	1.27
<b>Total Income</b>	4,474.78	100.00
<b>Expenses</b>		
Cost of materials consumed	3,425.43	76.55
Changes in inventory	(206.18)	(4.61)
Employee Benefit Expenses	370.04	8.27
Finance Cost	83.49	1.87
Depreciation and amortization expense	63.93	1.43
Other Expenses	332.83	7.44
<b>Total Expenses</b>	4,069.55	90.94
<b>Profit / (Loss) before exceptional items and Tax</b>	405.23	9.06
Exceptional Items	-	
Restated Profit /(Loss) before tax	405.23	9.06
<b>Tax Expense</b>		
Current Tax	109.71	2.45
Deferred Tax	6.36	0.14
MAT Credit Entitlement		-
<b>Total Tax expense</b>	116.07	2.59
Profit / (Loss) After Tax	289.16	6.46
Earnings per Share (Basic) (in ₹)	4.24	
Earnings per Share (Diluted) (in Rs)	4.24	

### Total income

#### Revenue from operations

Our revenue from operations comprises of sale of Products and services.

#### Other Income

Other income comprises of interest from bank deposits, rental Income, Subsidy Received, foreign exchange gain, dividend income, VAT refund and gain on sale of non- current investment.

#### Expenses

Our expenses consist of cost of materials consumed, employee benefit expense, finance cost, depreciation and amortisation expenses and other expenses.

#### Cost of Material consumed

Our Cost of Material Consumed comprises of Purchases of Materials, Power & Fuel Expenses, Factory Rent and change in inventory of Raw-materials

#### Change in Inventories

Our Change in comprises of difference between opening and closing stock of Finished Goods and Work-in-progress.



### ***Employee benefit expenses***

Employee benefit expense consists of salaries and wages, bonus, contribution to provident and other funds and workman & staff welfare expenses.

### ***Finance Costs***

Finance Costs consists of interest expense of financial liabilities on borrowings cost.

### ***Depreciation and amortisation expenses***

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our Company.

### ***Other expenses***

Other expenses include advertisement expenses, commission, bank charges, Insurance Charges, Power and Fuel Expense, Coolie and Cartage, other expenses, legal and professional fees, miscellaneous expenses, payment to auditors, postage and courier, printing and stationery, rates and taxes, repairs and maintenance, travelling expenses, rent Charges, Listing Fees, Transportation, Freight, Loading and Unloading Expenses etc.

### ***Tax expenses***

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

## **Period ended September 30, 2023**

### **Income**

The total income of our Company for the period ended September 30, 2023 was Rs 4,474.78 Lakh. This was due to increase in sale of product. This is the reason the Company has achieved a sale of 62.95% of last year sales within 6 months only.

### **Expenditure**

#### **Cost of Raw Material Consumed**

For the period ended September 30, 2023, our Company incurred Rs 3,425.43 Lakh

#### **Employee Benefit Expenses**

For the period ended September 30, 2023, our Company incurred for employee benefit expenses Rs 370.04 Lakh

#### **Finance Costs**

For the period ended September 30, 2023 cost is Rs 83.49 Lakh.

#### **Depreciation**

For the period ended September 30, 2023, depreciation cost incurred is Rs 63.93 Lakh.

#### **Other Expenses**

For the period ended September 30, 2023, our other expense incurred is Rs 332.83 Lakh.

#### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the period ended September 30, 2023 of Rs 405.23 Lakh.

## Profit/ (Loss) after Tax

Profit after tax for the period ended September 30, 2023 of Rs 289.16 Lakh.

The following table sets out selected data from the Restated Consolidated Financial Statements for Financial Year 2023 and Financial Year 2022, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2023		FY 2022	
	₹ in Lakh	% of total income	₹ in Lakh	% of total income
<b>Income</b>				
Revenue from operations	7,023.40	98.81	3,084.09	95.49
Other Income	84.70	1.19	145.69	4.51
<b>Total Income</b>	<b>7,108.10</b>	<b>100.00</b>	<b>3,229.79</b>	<b>100.00</b>
<b>Expenses</b>				
Cost of materials consumed	4,805.93	67.61	2,173.18	67.29
Changes in inventory	151.52	2.13	-73.15	-2.26
Employee Benefit Expenses	576.14	8.11	442.84	13.71
Finance Cost	206.19	2.90	137.11	4.25
Depreciation and amortization expense	111.52	1.57	114.22	3.54
Other Expenses	744.53	10.47	370.38	11.47
<b>Total Expenses</b>	<b>6,595.83</b>	<b>92.79</b>	<b>3,164.59</b>	<b>97.98</b>
<b>Profit / (Loss) before exceptional items and Tax</b>	<b>512.27</b>	<b>7.21</b>	<b>65.20</b>	<b>2.02</b>
Exceptional Items	-	-	-	-
Restated Profit /(Loss) before tax	512.27	7.21	65.20	2.02
<b>Tax Expense</b>				
Current Tax	124.34	1.75	3.37	0.10
Deferred Tax	-26.94	-0.38	-9.24	-0.29
MAT Credit Entitlement	-	-	11.26	0.35
<b>Total Tax expense</b>	<b>97.40</b>	<b>1.37</b>	<b>5.39</b>	<b>0.17</b>
Profit / (Loss) After Tax	414.87	5.84	59.81	1.85
Earnings per Share (Basic) (in ₹)	6.09		0.88	
Earnings per Share (Diluted) (in Rs)	6.09		0.88	

## Comparison of Historical Results of Operations

### Financial Year 2023 compared to Financial Year 2022

#### Total Revenue

The total revenue for Financial year ended March 31, 2023 increased from ₹ 3,229.79 Lakh during the financial year ended March 31, 2022 to ₹ 7,108.10 Lakh an increase of ₹ 3,878.31 Lakh or 120.08 % This increase was due to an increase in revenue of sale of product by 227.15% and increase in sale of services by 21.05 %

#### Revenue from operations

Our revenue from operations increased from ₹ 3,084.09 Lakh during the financial year ended March 31, 2022 to ₹ 7,023.40 Lakh in financial year ended March 31, 2023, an increase of ₹ 3,939.30 Lakh or 127.73%. This was mainly due to an increase in revenue of sale of product by 227.15% and increase in sale of services by 21.05 %

#### Other income

Other income decreases from ₹ 145.69 Lakh to ₹ 84.70 Lakh, a decrease of ₹ 60.69 Lakh, this decrease was majorly due to decrease in rent and subsidy received.

## ***Expenses***

Out total expenses increased from ₹ 3,164.59 Lakh for the financial year ended March 31, 2022 to ₹ 6,595.83 for the financial year ended March 31, 2023 which was an increase of ₹ 3,431.24 Lakh or 108.43 % This was due to an increase in cost of material consumed, employees benefit expenses, finance costs, and overall increase in other expenses.

### ***Employee benefit expenses***

Employee benefits expense for the year ended March 31 2023 was ₹ 576.14 Lakh compared to ₹ 442.84 Lakh for the year ended March 31, 2022. This was an increase of ₹ 133.30 Lakh or 30.10% over the previous year. This was majorly due to an increase in salaries, increase in contribution to PF and other funds and increase in staff welfare expense.

### ***Finance Costs***

Finance costs for the year ended March 31, 2023 was ₹ 206.19 Lakh as compared to ₹ 137.11 Lakh for the year ended March 31, 2022, an increase of ₹ 69.08 Lakh or 50.38% This was due to an increase in borrowings.

### ***Cost of material consumed***

Cost of material consumed for the year *ended* March 31, 2023 was ₹ 4,805.93 Lakh as compared to ₹ 2,173.18 Lakh for the year ended March 31, 2022, an increase of ₹ 2,632.75 Lakh or 121.15% This was due to an increase in sales.

### ***Depreciation and Amortisation Expense***

Depreciation and amortization expense for the year ended March 31, 2023 was ₹111.52 Lacs as compared to ₹ 114.22 Lakh for the year ended March 31, 2022, a decrease of ₹2.69 Lakh. This was due to sale of plant and machinery during the financial year ended March 31, 2023.

### ***Other expenses***

Other expenses for the year ended March 31, 2023 was ₹ 744.53 Lakh as compared to ₹ 370.38 Lakh for the year ended March 31, 2022, an increase of ₹ 374.15 Lakh or 101.02 % over the previous year. This was majorly due to an increase in Transportation, Freight, Loading and Unloading Expenses, Sundry Balances Written off, Other Manufacturing and Operating Expenses, Repairs and Maintenance etc during the year ended March 31, 2023.

### ***Profit/(Loss) before Tax after Exceptional Item***

The profit before tax for the year ended March 31, 2023 was ₹ 512.27 Lakh as compared to ₹ 65.20 Lakh for the year ended March 31, 2022, an increase of ₹ 447.07 Lakh or 685.71%. This was due to an increase in total revenue as compared to the total expenses of the previous year.

### ***Taxation***

Total tax expense for the year ended March 31, 2023 was ₹ 97.40 Lakh as compared to ₹ 5.39 Lakh for the year ended March 31, 2022.

### ***Profit/Loss after Tax***

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2023 of ₹ 414.87 Lacs as compared to ₹ 59.81 Lakh for the financial year ended March 31, 2022.

The following table sets out selected data from the Restated Standalone Financial Statement for Financial Year 2022 and Financial Year 2021, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2022		FY 2021	
	₹ in Lakh	% of total income	₹ in Lakh	% of total income
<b>Income</b>				
Revenue from operations	3,084.09	95.49	2,044.90	93.61
Other Income	145.69	4.51	139.64	6.39
<b>Total Income</b>	<b>3,229.79</b>	<b>100.00</b>	<b>2,184.54</b>	<b>100.00</b>
<b>Expenses</b>				
Cost of materials consumed	2,173.18	67.29	1,615.34	73.94
Changes in inventory	-73.15	-2.26	-227.74	-10.43
Employee Benefit Expenses	442.84	13.71	339.04	15.52
Finance Cost	137.11	4.25	172.55	7.90
Depreciation and amortization expense	114.22	3.54	137.16	6.28
Other Expenses	370.38	11.47	254.86	11.67
<b>Total Expenses</b>	<b>3,164.59</b>	<b>97.98</b>	<b>2,291.21</b>	<b>104.88</b>
<b>Profit / (Loss) before exceptional items and Tax</b>	<b>65.20</b>	<b>2.02</b>	<b>-106.66</b>	<b>-4.88</b>
Exceptional Items	-	-	-	-
Restated Profit /(Loss) before tax	65.20	2.02	-106.66	-4.88
<b>Tax Expense</b>				
Current Tax	3.37	0.10	-	-
Deferred Tax	-9.24	-0.29	-7.25	-0.33
MAT Credit Entitlement	11.26	0.35	-	-
<b>Total Tax expense</b>	<b>5.39</b>	<b>0.17</b>	<b>-7.25</b>	<b>-0.33</b>
Profit / (Loss) After Tax	59.81	1.85	-99.41	-4.55
Earnings per Share (Basic) (in ₹)	0.88		-1.46	
Earnings per Share (Diluted) (in Rs)	0.88		-1.46	

## Comparison of Historical Results of Operations

### Financial Year 2022 compared to Financial Year 2021

#### *Total Revenue*

The total revenue for Financial year ended March 31, 2022 increased to ₹ 3,229.79 Lakh or 47.85% of ₹2,184.54 Lakh during the financial year ended March 31, 2021. This increase was due to an increase in revenue of sale of goods by 74.46% and increase in sale of services by 31.67% and other operating revenue by 4.33% as compared to previous year

#### *Revenue from Operations*

Our revenue from operations increased from ₹ 2,044.90 Lakh during the financial year ended March 31, 2021 to ₹ 3,084.09 Lakh in financial year ended March 31, 2022, an increase of ₹ 1,039.19 Lakh or 50.82%. This increase was due to an increase in revenue of sale of goods by 74.46% and increase in sale of services by 31.67% during the financial year ended March 31, 2022 as compared to the previous year.

#### *Other income*

Other income increased from ₹139.64 Lakh to ₹ 145.69 Lakh, an increase of ₹ 6.05 Lakh. This increase was majorly due to increase in subsidy income.

#### *Expenses*

Our total expenses increased from ₹ 2,291.21 Lakh for the financial year ended March 31, 2021 to ₹ 3,164.59 Lakh for the financial year ended March 31, 2022 which was an increase of ₹ 873.38 Lakh or 38.12% This was due to increase in cost of material consumed, finance cost, employee benefit cost an increase in other expenses.

### **Employee benefit expenses**

Employee benefits expense for the year ended March 31 2022 was ₹ 442.84 Lakh compared to ₹ 339.04 Lakh for the year ended March 31, 2021. This was an increase of ₹ 103.80 Lakh or 30.62% over the previous year. This was majorly due to an increase in salaries, wages, contribution of fund and staff welfare expense.

### **Finance Costs**

Finance costs for the year ended March 31, 2022 was ₹ 137.11 Lakh as compared to ₹ 172.55 Lakh for the year ended March 31, 2021, a decrease of ₹ 35.43 Lakh or 20.53% This was due to a decrease in borrowings

### **Cost of material consumed**

Cost of material consumed for the year ended March 31, 2022 was ₹ 2,173.18 Lakh as compared to ₹ 1,615.34 Lakh for the year ended March 31, 2021, an increase of ₹ 557.84 Lakh or 34.53% This was due to an increase in sales.

### **Other expenses**

Other expenses for the year ended March 31, 2022 was ₹ 370.38 Lakh as compared to ₹ 254.86 Lakh for the year ended March 31, 2021, an increase of ₹ 115.52 Lakh or 45.33% over the previous year. This was majorly due to increase in Coolie and Cartage, Legal and Professional Fees, Motor Car Expenses, Other Manufacturing and Operating Expenses, Power and Fuel, Transportation, Freight, Loading and Unloading Expenses and Travelling and Conveyance Expenses etc. during the year ended March 31, 2022.

### **Profit/(Loss) before Tax**

The profit before tax for the year ended March 31, 2022 was ₹ 65.20 Lakh as compared to a loss of ₹ (106.66) Lakh for the year ended March 31, 2021, an increase of ₹ 171.86 Lakh or -161.13%. This was due to an increase in total revenue as compared to the previous year.

### **Taxation**

Total tax expense for the year ended March 31, 2022 was ₹ 5.39 Lakh as compared to ₹ (7.25) Lakh for the year ended March 31, 2022, which was mainly due to an increase in current tax and MAT Credit.

### **Profit/Loss after Tax**

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2022 of ₹ 59.81 Lacs as compared to a loss of ₹ (99.41) Lakh for the financial year ended March 31, 2021.

## **CASH FLOWS**

The following table sets forth certain information relating to our consolidated cash flows:

(₹ in Lakh)

<b>Particulars</b>	<b>Sept 30, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Net Cash Flow from/ (used in) Operating Activities (A)	579.44	277.21	106.14	287.75
Net Cash Flow used in Investing Activities (B)	(66.72)	(274.63)	8.39	160.81
Net Cash Flow used in Financing Activities (C)	(374.11)	(287.86)	(180.84)	(29.14)
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>138.60</b>	<b>(278.82)</b>	<b>(61.10)</b>	<b>419.43</b>
Cash and cash equivalents at the beginning of the year/period	304.48	583.30	644.40	224.97
<b>Cash and cash equivalents at year/ period end</b>	<b>443.08</b>	<b>304.48</b>	<b>583.30</b>	<b>644.40</b>

### **Cash generated from Operating Activities**

Net cash used from operating activities for the year ended March 31, 2023 was ₹277.21 Lakh as compared to the profit/(loss) before tax of ₹ 512.27 Lakh for the same period. This difference is primarily on account of, depreciation, finance costs, interest income, sundry balance written off.

Net cash used in operating activities for the year ended March 31, 2022 was ₹ 106.14 Lakh as compared to the profit/(loss) before tax of ₹ 65.20 Lakh the same period. This difference is primarily on account of depreciation, finance costs, gain on sale of non-current investment, interest income, sundry balance written off.

Net cash used in operating activities for the year ended March 31, 2021 was ₹ 287.75 Lakh as compared to the profit/(loss) before tax of ₹ (106.66) Lakh the same period. This difference is primarily on account of depreciation, finance costs, gain on sale of non-current investment, interest income, sundry balance written off and loss on foreign currency transaction.

#### **Net Cash used in Investing Activities**

Net cash used in investing activities for the year ended March 31, 2023 was ₹ (274.63) Lakh. This was on account of proceeds from Purchase/sale of Plant, Property and Equipment, non-current investment and interest income.

Net cash generated in investing activities for the year ended March 31, 2022 was ₹ 8.39 Lakh. This was on account of proceeds from Purchase/sale of Plant, Property and Equipment, non-current investment and interest income.

Net cash generated in investing activities for the year ended March 31, 2021 was ₹ 160.81 Lakh. This was on account of proceeds from Purchase/sale of Plant, Property and Equipment, non-current investment and interest income.

#### **Net Cash flow used in Financing Activities**

Net cash flows generated from financing activities for the year ended March 31, 2023 was (287.86) Lakh. This was on account of Proceeds from Finance Cost, Proceeds/ (repayment) from long term borrowings, provision and Increase/(Decrease) in other long-term liabilities in the same year.

Net cash flows generated from financing activities for the year ended March 31, 2022 was (180.84) Lakh. This was on account of Finance Cost, Proceeds/ (repayment) from long term borrowings, provision and Increase/(Decrease) in other long-term liabilities in the same year.

Net cash flows generated from financing activities for the year ended March 31, 2021 was (29.14) Lakh. This was on account of Finance Cost, Proceeds/ (repayment) from long term borrowings, provision and Increase/(Decrease) in other long-term liabilities in the same year.

#### **Contingent Liabilities**

We have no contingent liabilities as on September 30, 2023.

#### **Off-Balance Sheet Arrangements**

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

#### **QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

**Credit Risk:** Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or other counterparties.

**Interest Rate Risk:** Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

**Operational Risk:** Operational risks are risks arising from inadequate or failed internal processes, people and systems or external events. The internal control includes effective separation of functions, segregation of roles and responsibilities, reliance on the maker-checker concept, monitoring of exceptions, etc. We also attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing policies and procedures to monitor transactions, maintaining necessary back-up procedures and undertaking contingency planning.

**Liquidity Risk:** Liquidity risk arises due to the unavailability of an adequate amount of funds to meet the Company's financial obligations at an appropriate price and tenure. The Company attempts to minimise this risk through a mix of strategies, including diversification of sources of funds, securitisation and assignment of receivables, fixing caps on short term funds and maintaining liquidity buffer.

**Business Risk:** The Company, being a manufacturer, is exposed to various external risks which have a direct bearing on the sustainability and profitability of the Company. Foremost amongst them are Industry Risk and Competition Risk. The volatile macroeconomic conditions and change in sector dynamic in various commercial segments cause ups and downs in the business and may result in impairment of loan assets.

**Regulatory Risk:** It is the risk of change in-laws and regulations materially impacting the business. All the periodic guidelines issued by regulators are fully adhered to and complied with by the Company.

**Reputation Risk:** Reputational risk is the risk of possible damage to the Company's brand and reputation, and the associated risk to earnings, capital or liquidity, arising from any association, action or inaction which could be perceived by stakeholders to be inappropriate, unethical or inconsistent.

## **RELATED PARTY TRANSACTIONS**

For details of our related party transactions, see "Restated Financial Information - Related Party Disclosures" on page 170 of this Draft Red Herring Prospectus.

### **Qualitative Disclosure about Market Risk**

#### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 23 and 179 respectively of this Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

#### **Unusual or Infrequent Events or Transactions**

Except as described elsewhere in this Draft Red Herring Prospectus, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

#### **Significant economic/regulatory changes**

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Red Herring Prospectus, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

#### **Major changes in these factors can significantly impact income from continuing operations.**

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "Risk Factors" on page 23 of this Draft Red Herring Prospectus.

#### **Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 23 and 179 respectively, and elsewhere in this Draft Red Herring Prospectus, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

#### **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**Competitive Conditions**

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled “Our Business” on page 97 of this Draft Red Herring Prospectus.

**Total Turnover of Each Major Business Segment**

We are operating only in one segment which is sale of furniture.

**New Product or Business Segment**

Except as disclosed in “Our Business” on page 97 of this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

**Seasonality of Business**

Our Company’s business is not seasonal in nature.

**Significant dependence on a Single or Few Suppliers or Customers**

Other than as described in this Draft Red Herring Prospectus, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**Significant Developments since last balance sheet date**

To our knowledge no circumstances have arisen since September 30, 2022, the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.



**STATEMENT OF FINANCIAL INDEBTNESS**

Brief details on the financial indebtedness of the “Omfurn India Limited” as on March 31, 2023 and September 30, 2023 are as under:

**SECURED LOAN FROM BANKS:**

Name of Lender	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on 31.03.2023 (₹ in Lakh)	Outstanding as on 30.09.2023 (₹ in Lakh)
Union Bank of India	Term Loan VII	150.00	EBLR+0.90%	Machineries purchased and structural modification done out of bank Finance	60 Monthly Instalments	N.A.	15.79
Union Bank of India	Term Loan III	625.00	EBLR+4.00%+0.50%-0.75%-0.25%	Factory building, plant & machinery and other equipment	10 months moratorium and 72 Monthly Instalments	190.60	138.27
Union Bank of India	Term Loan IV (UGECL)	228.36	7.50% or EBLR+1.00% whichever is lower	WCTL facility granted under UGECL will rank second charge with the existing credit facilities in terms of cash flows and securities.	12 months moratorium and 36 Monthly Instalments	94.95	55.28
Union Bank of India	Term Loan VI (UGECL) (Extn.)	140.00	7.50% or EBLR+1.00% whichever is lower	WCTL facility granted under UGECL will rank second charge with the existing credit facilities in terms of cash flows and securities.	24 months moratorium and 36 Monthly Instalments	140.00	139.96
Union Bank of India	Cash Credit(H)	1,200.00	EBLR+0.90%	Hypothecation of stock& book debts.	12 Months (subject to renewal annually)	536.97	1,538.97
Union Bank of India	Vehicle Loan			Specified asset	84 Monthly Instalments	3.33	2.14
<b>Total</b>						<b>965.85</b>	<b>1,890.41</b>

## **UNSECURED LOAN DETAILS**

<b>Name of Lender</b>	<b>Amount Outstanding as on 31.03.2023 (₹ in Lakh)</b>	<b>Amount Outstanding as on 30.09.2023 (₹ in Lakh)</b>
Loan from Directors	172.25	Nil
<b>Total</b>	<b>172.25</b>	<b>Nil</b>

### **#Collateral Securities**

1. Factory Land & Building on Plot No. 6/7/8, New GIDC, 52 Hector (Expansion) Industrial Area, New GIDC, Umbergaon Industrial Estate, Umbergaon 396171 Valsad, Gujarat admeasuring 161400 SQ ft in the names of Omfurn India Limited – Leasehold.
2. Unit No 305, 3<sup>rd</sup> Floor Western Edge II Kanika Spaces, W E Highway Borivali (e ) admeasuring 4193.00 SQ ft - (Super Built up) in the names of Omfurn India Limited.
3. Unit No 107, 1<sup>st</sup> Floor, Gundecha Industrial Complex, Akruli Road, Kandivali East Mumbai 400101 admeasuring 554 SQ ft in the name of Mr Mahendra C Vishwakarma.
4. Unit No 106, 1<sup>st</sup> Floor, Gundecha Industrial Complex, Akruli Road, Kandivali East Mumbai 400101 admeasuring 762 SQ ft in the name of Mr Rajendra C Vishwakarma.
5. Unit No 109, 1<sup>st</sup> Floor, Gundecha Industrial Complex, Akruli Road, Kandivali East Mumbai 400101 admeasuring 462 SQ ft in the name of Mrs. Manbhavatidevi R Vishwakarma.
6. Unit No 110, 1<sup>st</sup> Floor, Gundecha Industrial Complex, Akruli Road, Kandivali East Mumbai 400101 admeasuring 462 SQ ft in the name of Mrs. Malatidevi M Vishwakarma.
7. Flat No 1308, Sur Wing Floor No. 13, Veena Saaz Sur taal Chs Ltd. Takur Complex, Kandivali East Mumbai in the name of Mr. Rajendra C Vishwakarma & Mr. Mahendra C Vishwakarma.
8. Additional Liquid Collateral Rs 0.55 Cr acceptable to bank (to maintain collateral coverage at 75% or above for coverage under union MSME suvidha)

## SECTION X - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoters; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoters; (iii) outstanding claims involving our Company, Directors or Promoters for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, as the case may be shall be deemed to be material;
- b) All pending litigation involving our Company, Promoter or Directors as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of ₹ 70.23 lakhs only) or 1 % of the revenue from operations of the Company for the most recent financial year covered in the Restated Financial Statements; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, or Directors, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at <https://omfurnindia.com/>
- c) Notices received by our Company, Promoter, or Directors, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoters, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS AND PROMOTERS**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

NIL

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax:

**GST for Tax Period July 2017:**

M/s. Omfurn India Private Limited (now known as Omfurn India Limited) (GSTIN: 27AAACO1314L1ZM) (hereinafter referred to as the assessee) have been issued with a letter bearing no. AC/D-714/NODAL DIV-8/TRANS-1/DRC-01/Omfurn India /2019-20/B-1351 dated September 21, 2018 for verification and recovery of transitional credit of ₹ 6,02,533/- claimed by the assessee in terms of Section 140(1) for the period July 2017. The transitional credit in dispute has been allegedly claimed by the assessee on the basis of revised return whereas as per original return, the input tax credit was NIL. After due submission of reply by the assessee, which was not found upto the satisfaction of the concerned officer, the assessee herein was served with the order in form DRC-07 bearing reference no. Ac/D-714/NODAL DIV-8/TRANS-1/DRC-07/Omfurn India/2019-20/B-1775 dated December 31, 2019 confirming the aforementioned demand of ₹ 6,02,533/- in addition to interest of ₹ 1,86,800/- and penalty of ₹ 60,253/-. Aggrieved by the aforementioned order, the assessee herein have filed an appeal with the Deputy Commissioner of State Tax (Appeal-1) vide ARN#AD2705220388604 dated May 30, 2022 accepted on June 02, 2022 and the same is pending.

**Direct Tax: NIL**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters or Directors during the last 5 financial years including outstanding actions except as disclosed above.

**PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

## **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

## **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

## **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Red Herring Prospectus.

## **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

## **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

## **MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page 179 there have been no material developments that have occurred after the Last Balance Sheet Date.

## **OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on September 30, 2023 -

<b>Name</b>	<b>No of Creditors</b>	<b>Balance as on September 30, 2023 (in ₹ Lacs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	4	11.36
Due to other Creditors	321	590.40
Due to material Creditors	5	540.87
<b>Total</b>	<b>330</b>	<b>1142.63</b>

As of September 30, 2023, there is outstanding overdue to five Material Creditor(s). The details pertaining to outstanding overdues to Material Creditor(s), along with the name and amount involved for such Material Creditor, is available on the website of our Company [www.omfurnindia.com](http://www.omfurnindia.com)

## GOVERNMENT AND STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

The Company has its business located at the following locations:

**Registered Office:** 109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai Suburban, Maharashtra, 400101

**Factory:-** Plot No.6 To 8, 52 Hector Expansion Area, Near GIDC, Umbergaon, Valsad, Gujarat, 396171

### 1. APPROVALS FOR THE ISSUE

#### Corporate Approvals

- Our Board has, pursuant to a resolution passed at its meeting held on August 22, 2023 authorized the Issue.
- Our shareholders have pursuant to a resolution passed at annual general meeting dated September 26, 2023 under Section 62(1) (c) of the Companies Act 2013, authorized the Issue.

#### Approvals from Lenders

- Our Company has obtained all the relevant approvals from Union Bank of India vide letter dated December 19, 2023.

### 2. INCORPORATION DETAILS

- Corporate Identity Number: L20200MH1997PLC111887
- Certificate of Incorporation dated November 13, 1997 issued by the Registrar of Companies, Maharashtra, Mumbai (RoC) in the name of OM Vishwakarma Furniture Private Limited.
- Fresh Certificate of Incorporation dated April 21, 2013 issued by RoC consequent upon change of name from OM Vishwakarma Furniture Private Limited to Omfurn India Private Limited.
- Fresh Certificate of Incorporation dated June 15, 2017 issued by the Registrar of Companies, Maharashtra, Mumbai consequent upon conversion to public limited company.

### 3. 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:

#### Under Direct and Indirect Laws

Sr. No.	Nature of License /Approvals	Authority	Particulars of License / Approvals	Validity Period	Date of Grant
1.	Permanent Account Number ("PAN")	Income Tax Department, Govt.of India	PAN: AAACO1314L	Valid till Cancelled	July 29, 2017
2.	Allotment of Tax Deduction Account Number (TAN)	Income Tax Department, Govt.of India	TAN: MUMO01759C	Valid till Cancelled	December 22, 2004

3.	Registration under Maharashtra State Tax on Professions, Trades, Callings and Employments	Professional Tax Department, Mumbai Branch	Certificate No. 27170766300P	Valid till Cancelled	August 25, 2014
4.	Enrolment under Maharashtra State Tax on Professions, Trades, Callings and Employments	Department of Sales Tax Government of Maharashtra	Certificate No. 99671849685P	Valid till Cancelled	August 25, 2014
5.	Enrolment under Maharashtra State Tax on Professions, Trades, Callings and Employments	Department of Sales Tax Government of Karnataka	Enrolment Certificate No.: 1077690533	Valid till Cancelled	

#### Registrations under Goods and Service Tax Act:

S. No.	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	GST Registration Certificate (Gujarat)	M/S Omfurn India Limited, Plot No.6 To 8, 52 Hector Expansion Area, Near GIDC, Umbergaon, Valsad, Gujarat, 396171	24AAACO1314L1ZS	Goods and Services Tax department (Gujarat)	December 05, 2017	Valid till Cancelled
2.	GST Registration Certificate (Telangana)	M/S. Omfurn India Limited, 403, Padmavathi Nest, Mylargadda, Seethaphalmandi, Secunderabad, Hyderabad, Telangana, 500061	36AAACO1314L1ZN	Goods and Services Tax department (Telangana)	June 15, 2022	Valid till Cancelled
4.	GST Registration Certificate (Karnataka)	M/S. Omfurn India Limited, No.109,, Gundecha Industrial Complex, Akurli Road, Kandivali East, Bengaluru (Bangalore) Urban, Karnataka, 560060	29AAACO1314L1ZI	Goods and Services Tax department, Karnataka	January 05, 2018	Valid till Cancelled
5.	GST Registration Certificate (Maharashtra)	M/S. Omfurn India Limited, 1, 109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai Suburban, Maharashtra, 400101 Additional Place of Business: Wing A Bldg No. 6 Unit 305, 3, Western Edge Ii, W.E.Highway, Borivali East, Mumbai Suburban, Maharashtra, 400066	27AAACO1314L1ZM	Goods and Services Tax department, Maharashtra	April 05, 2018	Valid till Cancelled

#### Registrations under Industrial and Labour Law

S.No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Maharashtra Shops and Commercial Establishments (Amendment) Act, 2020	106, 107, 109, 110, Gundecha Industrial Complex, Akurli Road, Kandivali (East), Mumbai – 400101	820104893/RS Ward/Commercial-II	District Labour Office, Mumbai	March 16, 2020	Valid till Cancelled
2.	Registration for License to work as a factory	Plot No. 6 to 8, (52) Hector Expansion Area, New GIDC, Valsad, Gujarat	Registration No.: 1478/20221/2006 License No.: 11315	Directorate of Industrial Safety & Health, Gujarat State	November 02, 2021	December 31, 2024
3.	Registration under Employees' State Insurance Corporation	No.109,, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai-400101	Code No.: 35000239660000999	ESIC Inspector, Mumbai		Valid till Cancelled



4.	Registration under Employees' State Insurance Corporation	Plot No.6 To 8, 52 Hecter Expansion Area, Near GIDC, Umbergaon, Valsad, Gujarat, 396171	2172372937	Ministry of labour & employment Govt. of India	June 02, 2023	Valid till Cancelled
5.	Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	No.109., Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai-400101	KD/MAL/91324	Regional Provident Fund Commissioner, Mumbai.	June 05, 2018	Valid till Cancelled
6.	Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Plot No.6 To 8, 52 Hecter Expansion Area, Near GIDC, Umbergaon, Valsad, Gujarat, 396171	Code:SRVAP0045554	Assistant Provident Fund Commissioner, Umbergaon, District Valsad.396195	September 27, 2018	Valid till Cancelled

#### Other Business related Approvals:

Sr. No.	Nature of License / Approvals	Address of Place of Business / Premises	Authority	Particulars of License / Approvals	Validity Period
1.	Certificate of Importer-Exporter Code	NA	Government of India, Ministry of Commerce and Industry	IEC No.: 0399053042	Valid till Cancelled
2.	Udyam Registration Certificate	NA	MSME Government of India	Certificate No. UDYAM-GJ-25-0000942 dated August 28, 2020	Valid till cancelled
3.	Udyog Aadhaar Memorandum	Plot No. 6 to 8, (52) Hecter Expansion Area, New GIDC, Valsad, Gujarat	Ministry of Micro Small and Medium Enterprises, Government of India	GJ25C0004234	Valid till Cancelled
4.	Gujarat Pollution Control Board	Plot No. 6 to 8, (52) Hecter Expansion Area, New GIDC, Valsad, Gujarat	Gujarat Pollution Control Board, Sarigam	PCB ID: 24039	December 31, 2024


#### Miscellaneous Approval/ Licenses / Registration

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	ISO Certificate ISO 9001:2015	QACS International Pvt. Ltd	Certificate No. QAIS-Q-IND-OI-05.23.014 EA Code:- 23	July 12, 2026	Designing, Manufacturing, Marketing & Supplying of Modular Furniture, Doors and Fire Resistant, Rated & Retardant Doors.
2.	ISO Certificate ISO 14001:2015	QACS International Pvt. Ltd.	Certificate No:- QAIS-E-IND-OI-05.23.008 EA Code:- 23	July 12, 2026	Designing, Manufacturing, Marketing & Supplying of Modular Furniture, Doors and Fire Resistant, Rated & Retardant Doors.
3.	ISO Certificate ISO 45001:2018	QACS International Pvt. Ltd.	Certificate No:- QAIS-OH-IND-OI-05.23.006	July 12, 2026	Designing, Manufacturing, Marketing & Supplying of Modular Furniture, Doors and

			EA Code:- 23		Fire Resistant, Rated & Retardant Doors.
4.	Membership Certificate of Indian Green Building Council (IGBC)	Indian Green Building Council	IGBCMP111380	December 31, 2023	--

#### 4. INTELLECTUAL PROPERTY

In order to protect our intellectual property rights, we have applied for registration of below mentioned trademark with the Trademark Registry:-

Sr. No.	Logo	Date of Application/Approval date	Application No./Trademark No.	Class	Current Status
1.		24/03/2003	1185059	20	Registered and valid upto March 24, 2033

#### Domain Name

S. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.omfurnindia.com/">https://www.omfurnindia.com/</a>	Registrar IANA ID: 303	Om Vishwakarma Furniture Pvt. Ltd. (now known as Omfurn India Limited)	December 12, 2004	December 11, 2024

#### 5. LICENSES TO BE APPLIED FOR:

S. No.	Description	Address of Premises	Authority to which application to be made	Current Status
1.	The Telangana Shops & Commercial Establishment Act, 1988 and Rules, 1990	403, Padmavathi Nest, Mylargadda, Seethaphalmandi, Secunderabad, Hyderabad, Telangana, 500061	Labour Department, Hyderabad	To be applied
2.	Karnataka Shops and Commercial Establishments (Amendment) Act, 2020	#No. 48/1, 2, 3, Mylasandra Village, R R Nagar, Kengeri Hobli, Mysore Road, Bengaluru (Bangalore), Karnataka, 560660	Labour Department, Bengaluru	To be applied

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities.

## OUR GROUP COMPANIES

In terms of the SEBI (ICDR) Regulations, the term “group companies”, includes

- i. such companies (other than promoter(s) and subsidiary(ies)) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and
- ii. any other companies considered material by the Board of Directors of the relevant issuer company.

Accordingly, for (i) above, all such companies with which there were related party transactions during the periods covered in the Restated Financial Statement, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI (ICDR) Regulations. For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018 it is clarified that our Promoters will not be considered as Group Companies.

In addition for the purpose of (ii) above, the Board pursuant to the Materiality Policy, has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Information included in the offer document) shall be considered “material” and will be disclosed as a ‘Group Company’ in the issue documents, (a) if it is a member of the promoter group of the Company as defined in the Regulation 2 (1) (pp) of the SEBI ICDR Regulations, and (b) with which there were transactions in the most recent financial year if any, (in respect of which Restated Financial Statements are included in this Draft Red Herring Prospectus), (“Test Period”) which individually or in the aggregate, exceed 10% of the total restated revenue of the Company for the Test Period.

Provided, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

All such companies which the Board has deemed to be material to be considered as Group Companies / Associates Companies.

Accordingly, in terms of the Materiality Policy for identification of Group Companies, as on date of Draft Red Herring Prospectus, our Company has no group companies.

## **OTHER REGULATORY AND STATUTORY APPROVALS**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorized by the board of directors by passing a resolution in the Board Meeting dated August 12, 2023, and the Issue has been authorized by the members by passing a special resolution in the Extra-ordinary General Meeting, dated September 26, 2023.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution passed on December 28, 2023. Our Company has received in-principle approval from NSE Emerge for the listing of the Equity Shares pursuant to its letter dated [●].

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

Our Company, our Promoters, members of the promoter group and our directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoters and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### **ASSOCIATION WITH SECURITIES MARKET**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### **PROHIBITION BY RBI**

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoters have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations and Material Development” beginning on page 192 of the Draft Red Herring Prospectus.

### **CONFIRMATION UNDER COMPANIES (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018**

Our Company, our Directors, our Promoters and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoters, promoter group members nor directors are debarred from accessing the capital market by the Board.
- Neither our Promoter, nor any directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, Promoter Group nor our directors, are Willful Defaulters or a fraudulent borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital is more than 10 crores and upto twenty five crore rupees and can issue Equity Shares to the public and propose to list the same on the Emerge Platform of National Stock Exchange of India Limited.

We further confirm that:

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- ii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum in accordance with Regulation 269 of the SEBI (ICDR) Regulations. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iii. In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the BRLM immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation to the offer document.

Further, in terms of Regulation 246(3) of the SEBI (ICDR) Regulations, 2018 the BRLM will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The BRLM and the Emerge Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the Emerge Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, we confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under**

- **Incorporation:** The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.

Our Company is incorporated under the Companies Act, 1956 in India.

- **Track Record**

The Company should have a track record of at least 3 years

Our Company was incorporated on November 13, 1997 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Mumbai, Maharashtra. Therefore, we are in compliance with criteria of having track record of 3 years.

- **Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than ₹ 25 crores**

The present paid up capital of our Company is ₹ 817.44 Lakh and we are proposing FPO upto 36,00,000 Equity shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence our post issue Paid up capital will be upto ₹ [●] Lakh So, our Company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ 25 Crores.

- **Net-worth: Positive Net-worth**

As per Restated Financial Statement, the net-worth of our Company is ₹ 2,573.79 Lakh as on March 31, 2023 and ₹ 2,862.95 Lakh as on September 30, 2023.

- **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our Company is having operating profit, details are mentioned as below.

Particulars	(₹ in Lakh)			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total Income	4,474.78	7,108.10	3,229.79	2,184.54
Operating Profit (earnings before interest, depreciation and tax)	552.65	829.99	316.53	203.04

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company.
- Our Company has a website: [www.omfurnindia.com](http://www.omfurnindia.com)

#### **OTHER DISCLOSURES:**

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoters.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoters during the past three years.
- There are no litigations record against our Company, Promoters except disclosed on page 192 in section “Outstanding Litigation and Material Development”.
- There are no criminal cases/investigation/offences filed against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPETCUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPETCUS. THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPETCUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPETCUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] 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 RED HERRING PROSPETCUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

#### **DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Promoter, our Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.omfurnindia.com](http://www.omfurnindia.com) 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 entered between the Book Running Lead Manager and our Company on August 24, 2023 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the 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 including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **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 competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft 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) at Mumbai, India 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, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft 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 Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any

implication that there has been no 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 under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable**

#### **U.S. state securities laws.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or 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.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

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 Regulations 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 outside the United States in offshore transactions in reliance on Regulation S 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

#### **FILING**

This Draft Red Herring Prospectus is being filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed. National Stock Exchange of India Limited is located at the Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated at 100, Everest, Marine Mumbai-400002, Maharashtra, India through the electronic portal at <https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html>

#### **LISTING**

Application will be made to the Emerge platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.



Our Company has received an In-principle Approval letter dated [●] from NSE for using its name in Issue Documents for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, 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 Emerge Platform of NSE mentioned above are taken within such period from the Issue Closing Date as may be required under the applicable laws.

## CONSENTS

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Management Personnel (SMP), Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Counsel to the Issue, Underwriter(s) to the Issue\*, Market Maker to the Issue\*, to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* The consents will be taken while registering the Red Herring Prospectus / Prospectus with ROC.

Our Company has received written consent dated December 28, 2023 from the Peer Reviewed Auditors M/s C B Mehta & Associates to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its

- (i) examination report dated December 28, 2023 on our restated financial information; and
- (ii) its report dated December 28, 2023 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## IMPERSONATION

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

“Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the Company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

## **EXPERTS**

Except for report and certificates from Peer Review Auditors M/s C B Mehta & Associates on financial matter, Land and Building Registered Valuer for estimation of cost of acquisition of land, Chartered Engineer Certificate for Construction of Building, we have not obtained any other expert opinions.

## **PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS AND PERFORMANCE VIS-À-VIS OBJECTS**

Our Company has not made any previous public offer during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

## **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

For detailed description please refer to section titled “Capital Structure” beginning on page 58 of this Draft Red Herring Prospectus.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

## **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

## **OUTSTANDING CONVERTIBLE INSTRUMENTS**

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

## **OPTION TO SUBSCRIBE**

Equity Shares being offered through the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus can be applied for in dematerialized form only.

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM:**

For details regarding the price information and track record of the past issue handled by Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Draft Red Herring Prospectus and the website of the Book Running Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com)

## **STOCK MARKET DATA OF THE EQUITY SHARES**

Our Company's Equity Shares have been listed and being traded on the NSE EMERGE.

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- In case of two days with the same high / low / closing price, the date with higher volume has been considered.

## Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchange during the last three years and the number of Equity Shares traded on these days are stated below:

### National Stock Exchange of India Limited

Financial Year	High (in ₹ per Equity Share)	Date of High	Number of Equity Shares traded on date of High	Total volume traded on date of High (in ₹)	Low (in ₹ per Equity Share)	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the Year (in ₹ per Equity Share)
2021	15.00	30.07.2020	12,000	1,80,000	4.75	22.04.2020	6,000	28,500	10.06
2022	11.15	22.03.2022	6,000	66,900	8.60	26.07.2021	6,000	51,600	9.33
2023	52.80	06.01.2023	6,000	3,16,800	11.15	06.04.2022	6,000	66,900	32.02

(Source: [www.nseindia.com](http://www.nseindia.com))

Notes: High, low and average prices are based on the daily closing prices.

In case of two days with the same high or low price, the date with the high volume has been considered.

### Market Prices for the last six calendar months

The total number of days that the Equity Shares were traded on the NSE during the last 6 calendar months i.e. June 2023 to November 2023 was 107 Days. The average volume of the Equity Shares traded on the NSE was 18,054 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on NSE during the last 6 calendar months preceding the date of filing of this Draft Red Herring Prospectus are as follows:

Month	High (in ₹ per Equity Share)	Date of High	Number of Equity Shares traded on date of High	Total volume traded on date of High (in ₹)	Low (in ₹ per Equity Share)	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the month (in ₹ per Equity Share)
June 2023	47.00	14.06.2023	6,000	2,74,400	39.05	07.06.2023	1,04,000	40,69,400	42.79
July 2023	44.70	12.07.2023	12,000	5,06,400	38.70	19.07.2023	30,000	11,69,100	40.53
August 2023	75.20	23.08.2023	1,00,000	75,02,300	40.00	03.08.2023	2,000	80,000	59.40
September 2023	88.25	08.09.2023	48,000	42,95,200	69.80	22.09.2023	20,000	14,14,800	79.97
October 2023	85.45	13.10.2023	14,400	12,30,840	69.05	25.10.2023	12,000	8,36,880	77.49
November 2023	83.00	03.11.2023	7,200	5,92,800	71.00	30.11.2023	7,200	5,17,560	74.90

(Source: [www.nseindia.com](http://www.nseindia.com))

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on August 22, 2023. The high and low prices of our Company's shares as quoted NSE on August 23, 2023, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Number of Equity Shares traded	Highest Price (in ₹ per Equity Share)	Lowest Price (in ₹ per Equity Share)
August 23, 2023	1,00,000	75.20	70.00

(Source: [www.nseindia.com](http://www.nseindia.com))

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat

credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on February 5, 2022. For further details on the Stakeholders Relationship Committee, please refer to section titled “Our Management” beginning on page 125 of this Draft Red Herring Prospectus.

#### **Composition of Stakeholder Relationships Committee**

<b>Name of Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Mr. Sudhir Jayantilal Shah	Chairman	Non-Executive & Independent Director
Mr. Prasad Chirravuri	Member	Non-Executive & Independent Director
Mr. Rajendra Chitbahal Vishwakarma	Member	Managing Director
Ms. Geeta	Member	Non-Executive & Independent Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

**Our Company has appointed Mrs. Dhara Pratik Shah, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

#### **Mrs. Dhara Pratik Shah**

Omfurn India Limited

109, Gundecha Industrial Complex, Akurli Road, Kandivali East, Mumbai -400101, Maharashtra.

Tel: +91 22 42108900

Fax: +91 22 42108999

Email: [ddharashah@omfurnindia.com](mailto:ddharashah@omfurnindia.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

#### **FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the 'Engagement Letter' for Further Public Issue, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled "Capital Structure" on page 58 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of the Promoters.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under chapter titled "Capital Structure" on page 58 of this Draft Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

#### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during last five years.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## **SECTION XI – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI(ICDR) Regulations, the SEBI Listing Regulations our Memorandum and Articles, the terms of the Draft Red Herring Prospectus, Prospectus, 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, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, NSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GOI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue, to the extent and for such time as these continue to be applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process for making payment. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated 2019, circular November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

### **AUTHORITY FOR THE ISSUE**

The present Public Issue of up to 36,00,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 22, 2023 was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on September 26, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### **RANKING OF EQUITY SHARES**

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled, "Main Provisions of the Articles of Association of the Company" on page 256 of this Draft Red Herring Prospectus.

### **MODE OF PAYMENT OF DIVIDEND**

The declaration and payment of dividend will be as per the provisions of Companies Act 2013 the Articles of Association, the provision of the SEBI Listing Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation and as per the recommendation by the Board of Directors at their discretion and approved by the shareholders 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, 2013 and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to the chapter titled 'Dividend Policy' on page 148 of this Draft Red Herring Prospectus

## **FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND**

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Marathi edition of [●] a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 and 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 the Equity Shares of our Company, subject to applicable laws.

## **COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018**

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, regulation and guidelines and the Articles of Association the equity shareholders shall have the following rights:

- (1) Right to receive dividend, if declared;
- (2) Right to attend general meetings and exercise voting powers, unless prohibited by law;
- (3) Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- (4) Right to receive annual reports and notices to members;
- (5) Right to receive offers for rights shares and be allotted bonus shares, if announced;
- (6) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- (7) Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- (8) Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “Main Provisions of Articles of Association of the Company” beginning on page 256 of the Draft Red Herring Prospectus.

## **ALLOTMENT ONLY IN DEMATERIALIZED FORM**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated September 08, 2017 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated September 06, 2017 between CDSL, our Company and Registrar to the Issue.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is 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.

*Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.*

## **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within four (4) working days of closure of Issue.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 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.**

**Applicants are advised to ensure that any application from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicant will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.**

## **JOINT HOLDERS**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship

## **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

1. To register himself or herself as the holder of the Equity Shares; or
2. To make such transfer of the Equity Shares, as the deceased holder could have made.



Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper 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 SEBI, providing reasons for not proceeding with the issue.

The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable 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. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three 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.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

## ISSUE PROGRAM:

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

Event	Indicative Date
Bid/Issue Opening Date	[●] <sup>(1)</sup>
Bid/Issue Closing Date	[●] <sup>(2) (3)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

### Note

<sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations

<sup>(2)</sup> Our Company in consultation with the BRLM, 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.

<sup>(3)</sup> UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. [●]

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked

(ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

**The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.**

**Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by 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 Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. 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 Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.**

**The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day.**

In terms of the UPI Circulars, in relation to the Issue the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, 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 (other than Bids from Anchor Investors)**

<b>Bid Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/Issue Closing Date</b>	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

\* UPI mandate end time and date shall be at 5.00 pm IST on Bid/Issue Closing Date.

**On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

(i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidde₹

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

**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 the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. 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, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **MINIMUM SUBSCRIPTION AND UNDERWRITING**

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094

dated June 21, 2023. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled "General Information - Underwriting" on page 54 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

## **MIGRATION TO MAIN BOARD**

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. The migration policy of NSE was intimated vide circular Download Ref. No.: NSE/SME/26110 dated March 10, 2014, further revised vide circular Download Ref. No. NSE/SME/37551 dated April 18, 2018 and NSE/SME/47077 dated January 21, 2021. NSE has further reviewed and revised the migration policy effective from April 20, 2023 from NSE Emerge to NSE Main Board as follows:

1. The paid-up equity capital of the Company shall not be less than ₹10 crores and the capitalisation of the Company's equity shall not be less than ₹25 crores\*\*

*\*Explanation for this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post Issue number of equity shares*

2. The Company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The Company should have been listed on SME platform of the Exchange for at least 3 years.
4. The Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
5. The Company has not received any winding up petition admitted by a NCLT.
6. The net worth of the Company should be at least ₹50 crores.
7. Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
8. The Company desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:
  - a. The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
  - b. Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
  - c. Redressal mechanism of Investor grievance.
  - d. PAN and DIN no. of Director(s) of the Company.
  - e. Change in Control of a Company/Utilisation of funds raised from public.

## **MARKET MAKING**

The shares issued through this Issue are proposed to be listed on the NSE Emerge, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the NSE Emerge. For further details of the agreement entered

into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled "General Information - Details of the Market Making Arrangements for this issue" on page 55 of this Draft Red Herring Prospectus.

#### **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, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

#### **AS PER THE EXTENT GUIDELINE OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an FPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

#### **APPLICATION BY ELIGIBLE NRI'S, FPI'S, VCF'S, AIF'S REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs, VCF or AIF's registered with SEBI. Such Eligible NRIs, FPIs, VCF or AIF's registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the Pre- issue Equity Shares and Promoter minimum contribution in the issue as detailed under section titled "Capital Structure" beginning on page 58 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "Main Provisions of the Articles of Association" beginning on page 256 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the 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 Draft 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.*

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Draft Red Herring Prospectus with the RoC publish a pre-issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than or equal to ten Crore rupees but less than twentyfive crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 211 and 225 of this Draft Red Herring Prospectus.

### ISSUE STRUCTURE:

The Issue comprises of a Public Issue of upto 36,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ [●] per Equity Shares (including a premium of ₹ [●] per equity share) aggregating to ₹ [●] Lakh ("the issue") by our Company of which [●] Equity Shares of ₹10 each will be reserved for subscription by the designated Market Maker ("the **Market Maker Reservation Portion**") and Net Issue to Public of [●] Equity Shares of face value of ₹10/- each ("the **Net Issue**"). The Issue and the Net Issue will constitute [●] % and [●] % respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made through the Book Building Process.<sup>(1)</sup>

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non - Institutional Investors	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	Up to [●] Equity shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
<b>Percentage of Issue Size available for Allocation</b>	[●] of the Issue Size	Not more than 50% 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 Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only."	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	Proportionate as follows: (excluding the Anchor Investor Portion): Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	Proportionate basis subject to minimum allotment of [●] Equity Shares

		which one-third shall be available for allocation to Mutual Funds only, subject to valid Application received from Mutual Funds at or above the Anchor Investor Allocation Price		
<b>Mode of Application</b>	Only through the ASBA Process	Only through the ASBA process. (Except for Anchor investors)	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
<b>Mode of Allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Application Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the application Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that application size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares so that the application Amount does not exceed ₹ 2,00,000
<b>Maximum Application 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	Such number of Equity Shares in multiples of [●] Equity Shares so that the application Amount does not exceed ₹ 2,00,000
<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>	The entire Application Amount shall be blocked by the SCSBs in the bank account of Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI mechanism) at the time of the submission of the Application Form In case of Anchor Investors: Full application Amount shall be payable by the Anchor Investors at the time of submission of their application <sup>(4)</sup>			

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

<sup>(2)</sup> 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.

<sup>(3)</sup> Subject to valid Applications 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 Applicants at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

<sup>(4)</sup> Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Applications being received from domestic Mutual Funds at or above the Anchor Investor Price.

<sup>(5)</sup> Full Application Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled "Issue Procedure" beginning on page 225 of this Draft Red Herring Prospectus.

The Bids by FPIs with certain structures as described under "Issue Procedure - Applications by FPIs" on pages 237 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. Bidders will



be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper 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 SEBI, providing reasons for not proceeding with the issue.

The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable 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. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three 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.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

## ISSUE PROGRAM:

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

Event	Indicative Date
Bid/Issue Opening Date	[●] <sup>(1)</sup>
Bid/Issue Closing Date	[●] <sup>(2) (3)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

Note:

<sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations

<sup>(2)</sup> Our Company in consultation with the BRLM, 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.

<sup>(3)</sup> UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. [●]

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the issue Closing Date, the Applicant shall be

compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

**The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.**

**Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by 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 Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. 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 Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.**

**The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day.**

In terms of the UPI Circulars, in relation to the Issue the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, 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 (other than Bids from Anchor Investors)**

<b>Bid Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/Issue Closing Date</b>	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

\*UPI mandate end time and date shall be at 5.00 pm IST on Bid/Issue Closing Date.

**On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

**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 the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. 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, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019. 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to 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 existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the 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 was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. 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.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, 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.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 Lakh shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three 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, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

## **PART A**

### **BOOK BUILDING PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), 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 Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion

of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021, and CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

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

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws. Phased implementation of UPI.

### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of, inter alia, equity shares. Pursuant to the SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated June July 28, 26, 2019, 2019, SEBI SEBI circular circular bearing bearing number number. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars; the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public Offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

**Phase II:** This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public offer 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 SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (the "UPI Streamlining 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 UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post- Issue BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Issue will be made under UPI Phase III of the UPI Circular.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 red with SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2.00 Lakh and up to ₹5.00 Lakh, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 ("UPI Streamlining 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 UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Issue is being made under Phase III of the UPI:

Further, pursuant to SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a syndicate member;
- ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Company has appointed certain of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders.

## APPLICATION FORM

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date. Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details or authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (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, RTAs 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, RTAs 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.

### **Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. 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 colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour*
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	[●]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[●]
Anchor Investor**	[●]

\*Excluding Electronic Application Form

\*\*Bid cum application for for Anchor Investor shall be made available at the Office of the BRLM

Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).



Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

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)

Retails 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 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 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 application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

For RIBs 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 RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, 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, RIBs 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 RIBs (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. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

#### **AVAILABILITY OF DRAFT RED HERRING PROSPECTUS AND APPLICATION FORMS**

The Application Forms and copies of the Draft Red Herring Prospectus may be obtained from the Registered Office of our Company, (Book Running Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

#### **WHO CAN APPLY?**

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues- Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Indian 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 Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional applicant's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) 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 8, 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 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

## MAXIMUM AND MINIMUM APPLICATION SIZE

### 1. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

### 2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

## 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 newspaper [●], all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper [●] where the registered office of the 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 Bidders 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 three Working Days, 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 all editions of the English national newspaper [●], all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper [●] where the registered office of the Company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Draft Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) 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.
- d) 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”.

- e) Except in relation to the Bids received from the Anchor Investors, 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.
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 225 of this Draft Red Herring Prospectus.
- h) 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. 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.
- i) 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.
- j) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation 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. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cutoff Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders 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.

The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

## **Participation by Associates /Affiliates of LM and the Syndicate Members**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

## **Option to Subscribe in the Issue**

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. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

## **Information for the Applicants:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Draft Red Herring Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain such details are liable to be rejected.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
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 Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax

Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 Lakh. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 Lakh
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakh, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakh but upto ₹ 2500.00 Lakh, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakh per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakh:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakh; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakh or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakh per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

- 10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. 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).

#### **APPLICATION BY FPIS (INCLUDING FIIS)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.



FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **BIDS BY HUFs:**

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 Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATION 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 was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares

of a 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 for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lakh (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakh, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹ 2500 Lacs and pension funds with minimum corpus of ₹ 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATION BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 Lakh (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 Lakh, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Red Herring Prospectus.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks)

Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered 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.

#### **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 Draft 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 ₹ [●] 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 applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be. Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: [●]
- b. In case of Non-Resident Anchor Investors: [●]
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

- 1) The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
- 3) The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them,
  - (ii) the applications uploaded by them
  - (iii) the applications accepted but not uploaded by them or
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the 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 offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds

S No.	Details*
1.	Symbol
2.	Intermediary Code.
3.	Location Code Application No.
4.	Application No
5.	Category
6..	PAN
7.	DP ID
8	Client ID
9.	Quantity
10.	Amount

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

- 7) With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
- Name of the Applicant;
  - FPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
- 8) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
- 9) The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 10) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 11) In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

- 12) The permission given by the Stock Exchanges to use their network and software of the Online FPO 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 Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- 13) The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online FPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- 14) The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
- 15) The details uploaded in the online FPO 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) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII 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 finalise the Issue Price and the Anchor Investor 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 the Draft RHP. For details in relation to allocation, the Bidder may refer to the Draft RHP.
- 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 the DRHP.

- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

### **Signing of Underwriting Agreement and Filing of Draft Red Herring Prospectus with ROC**

- 1) Our Company has entered into an Underwriting Agreement dated [●]
- 2) A copy of Draft Red Herring Prospectus will be filed with the ROC in terms of Section 26 of Companies Act, 2013.

### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Draft Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date. Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
- Ensure that you have requested for and receive a TRS;

- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding ₹2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.



## **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

### **GROUNDS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order; • Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and 245 the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.
- For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the BID.

**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 EXCHANGES 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**

- 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 the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- 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.
- 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 the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail 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.

#### **BASIS OF ALLOTMENT**

##### **A. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price. The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders 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 Bidders**

Bids received from Non-Institutional Bidders 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 Bidders will be made at the Issue Price. The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **C. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) 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: Allotment shall be undertaken in the following manner:

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;

In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the 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.

### **D. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:
  - Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the

Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

- Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) 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 NSE SME (The Designated Stock Exchange). 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 DRHP.
- f) Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- .Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.
- g) The Executive Director/ Managing Director of NSE – the Designated 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 NSE the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. 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 a 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 4 working days of the Issue Closing date. The Issuer also ensures the 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 of the issuer.

**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 4 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 Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

**Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

**Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares. The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That our Promoters' contribution in full has already been brought in;
- 5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- 7) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 8) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 9) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 10) Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 11) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- 12) That none of the Promoters or directors of the Company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated September 08, 2017 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated September 06, 2017 between CDSL, our Company and Registrar to the Issue;

The Company's Equity Shares bear an ISIN No. INE338Y01016

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("**FEMA**"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("**RBI**") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (**the "FDI Policy"**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and/ or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.



Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap. Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 and do not exceed the applicable limits under the laws and regulations.

## SECTION XII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013

(TO THE EXTENT APPLICABLE)

### ARTICLES OF ASSOCIATION

OF

### Omfurn India Limited

(New set of Articles of Association adopted in substitution with the existing Articles of Association as approved by the Members at their Extra Ordinary General Meeting held on May 30, 2017.)

<b>Title of Article</b>	<b>Article Number and contents</b>
Table "F" not to apply but company to be governed by these Articles	1. The regulations contained in Table "F" in the First Schedule of the Companies Act, 2013 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act, 2013 (to the extent applicable) or Companies Act, 1956 (to the extent applicable) be such as are contained in these Articles.

## INTERPRETATION

<b>Title of Article</b>	<b>Article Number and contents</b>
Marginal Notes	2. The marginal notes used in these Articles shall not affect the construction hereof.
Interpretation Clause	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:
The Act	"The Act" means the Companies Act, 2013 (to the extent applicable) and the Companies Act, 1956 (to the extent applicable) and includes any statutory modification or re-enactment thereof for the time being in force.
These Articles	"These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.
Auditors	"Auditors" means and includes those persons appointed as such for the time being of the Company.
Board or Board of Directors	"Board" or "Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively.
Capital	"Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
Chairman	"The Chairman" means the Chairman of the Board of Directors, for the time being, of the Company.
Charge	"Charge" includes a mortgage.
Company	The "Company" shall mean Omfurn India Limited.
Debenture	"Debenture" includes debenture stock, bonds and any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
Directors	"Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles.

Title of Article	Article Number and contents
Dividend	“Dividend” includes interim dividend unless otherwise stated.
Executor or Administrator	“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.
Gender	Words importing the masculine gender shall be deemed to include the feminine gender and vice versa.
In writing and written	"In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.
Legal Representative	"Legal Representative" means a person who in law represents the estate of a deceased Member.
Members	"Members" means the duly registered holders, from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company.
Board Meeting or Meeting of Board	"Board Meeting" or "Meeting of Board" means meeting of the Board of Directors.
Annual General Meeting or General Meeting	"Annual General Meeting" or “General Meeting” means a General Meeting of the Members held in accordance with the provision of section 96 of the Companies Act, 2013
Extra-Ordinary General Meeting	"Extra-Ordinary General Meeting" means an extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof
Memorandum	“Memorandum” means the Memorandum of Association of the Company as originally framed and/or altered from time to time.
Month	"Month" means a calendar month
National Company Law Tribunal	“National Company Law Tribunal” means National Company Law Tribunal (Tribunal) as defined under section 408 of the Companies Act, 2013.
Office	"Office” means the registered office for the time being of the Company
Ordinary Resolution	"Ordinary Resolution” shall have the meanings assigned to it by Section 114 of the Companies Act, 2013.
Paid Up	“Paid-up" includes capital credited as paid up
Person	“Person" shall be deemed to include corporations and firms as well as individuals.
Proxy	“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.
Public Company	(ab) “Public Company” within the meaning of section 2(71) of The Companies Act, 2013 means a company which – (a) is not a private company; (b) has a minimum paid up share capital, as may be prescribed. Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

<b>Title of Article</b>	<b>Article Number and contents</b>
Public Holiday	(ac) "Public Holiday" means public holiday within the meaning of the Negotiable Instruments Act, 1881 provided that no date declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
The Register of Members	(ad) "The Register of Members" means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013
The Registrar	(ae) "The Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.
Seal	(af) "Seal" means the common seal for the time being of the Company.
Secretary	(ag) "secretary" or "company secretary" means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act
Shares	(ah) "Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied
Special Resolution	(ai) "Special Resolution" shall have the meaning assigned to it by Section 114 of Companies Act, 2014.
The Statutes	(aj) "The Statutes" means the Companies Act, 2013, to the extent applicable and the Companies Act, 1956, to the extent applicable and every other Act for the time being in force affecting the Company
Year or Financial Year	(ak) "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Companies Act, 2013
Singular Number	(al) Words importing the Singular number include where the context admits or requires the plural number and vice versa.
These presents	(am) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
Variation	(an) "Variation" shall include abrogation; and "vary" shall include abrogate.
Expressions in the Act to bear the same meaning in Articles	(ao) 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.

## **CAPITAL AND INCREASE AND REDUCTION OF CAPITAL**

<b>Title of Article</b>	<b>Article Number and contents</b>
Share Capital	3. The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued

Title of Article	Article Number and contents
	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 Companies Act, 2013. 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 Companies Act, 2013.
New Capital same as existing capital	5. Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Redeemable Preference Shares	6. Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preferenceshares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	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 and in circumstances provided under Section 47(2).
Provisions to apply on issue of Redeemable Preference Shares	<p>8. On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <p>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. No such Shares shall be redeemed unless they are fully paid.</p> <p>The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>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 Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected 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.</p>
Reduction of capital	<p>1. The Company may (subject to the provisions of section 52, 55(1) &amp; (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Purchase of own Shares	2. The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
Sub-division and cancellation of Shares	3. Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). 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.

## MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	<p>4. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Companies Act 1956, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, 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, dealt with or varied by the creation or issue of further Shares ranking paripassu therewith.</p>

## SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	<p>5. The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013.</p>
Further issue of shares	<p>6. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-</p> <p>to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—</p> <p>the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>the offer aforesaid shall not have the right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (b) shall contain a statement to this effect.</p> <p>after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;</p> <p>to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or</p> <p>to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.</p> <p>The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p>

Title of Article	Article Number and contents
	<p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.</p>
Shares at the disposal of the Directors	<p>7. Subject to the provisions of Section 62 of the Companies Act, 2013 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 person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with 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. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
Power to offer Shares/options to acquire Shares	<p>15A Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>In addition to the powers of the Board under Article 16A(1), the Board may also allot the Shares referred to in Article 16A(1) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(1) and (2) above.</p>
Application of premium received on Shares	<p>8. Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.</p> <p>The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <p>In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares;  In writing off the preliminary expenses of the Company;  In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or  In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.  For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.</p>



Title of Article	Article Number and contents
Power also to Company in General Meeting to issue Shares	<p>9. In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p>
Power of General Meeting to authorize Board to offer Shares/Options to employees	<p>17A Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose.</p> <p>In addition to the powers contained in Article 18A(1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p>
Shares at a discount	<p>10. The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely:</p> <p>the issue is authorized by a special resolution passed by the company;</p> <p>the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;</p> <p>not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and</p> <p>where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.</p>
Installments of Shares to be duly paid	<p>11. If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p>
The Board may issue Shares as fully paid-up	<p>12. Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>
Acceptance of Shares	<p>13. Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the</p>

Title of Article	Article Number and contents
	meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	14. The money, if any which the Board of Directors 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 immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	15. Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisation of securities	24.(A) Definitions: Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository. SEBI "SEBI" means the Securities and Exchange Board of India. Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; Depositories Act "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992; Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI; Regulations "Regulations" mean the regulations made by SEBI; Security "Security" means such security as may be specified by SEBI.
Dematerialisation of securities	24.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	24.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form	24.(D) All securities held by a Depository shall be dematerialised and shall be in a fungible form;
Rights of depositories and beneficial owners	24.(E) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;  Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;  Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository ToFurnishInformation	24.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Service of documents	24.(G) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

Title of Article	Article Number and contents
Option to optout in respect of any security	24.(H) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	24.(I) Notwithstanding anything to the contrary contained in the Articles: Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository;  Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	25. Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.  Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	26. 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 the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and 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 or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.  PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	28. 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 ₹2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.  Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.  The provision of this Article shall mutatis mutandis apply to Debentures of the Company.
The first name joint holder deemed sole holder	29. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the

Title of Article	Article Number and contents
	Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Issue of Shares without Voting Rights	30. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of Shares and Securities	31. Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law.
Employees Stock Options Scheme/Plan	32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Company not bound to recognize any interest in Shares other than of registered holder	34. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof 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 holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognized	35. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, 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 holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.  Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.
Declaration by person not holding beneficial interest in any Shares	36. Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.  A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.  Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act

<b>Title of Article</b>	<b>Article Number and contents</b>
	Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
Funds of Company not to be applied in purchase of Shares of the Company	37. No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

## UNDERWRITING AND BROKERAGE

<b>Title of Article</b>	<b>Article Number and contents</b>
Commission may be paid	38. Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company.
Brokerage	39. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	40. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013.

## DEBENTURES

<b>Title of Article</b>	<b>Article Number and contents</b>
Debentures with voting rights not to be issued	<p>41. The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.</p> <p>Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.</p> <p>A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p> <p>The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.</p>

## CALLS

Title of Article	Article Number and contents
Directors may make calls	<p>42. Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	<p>43. Not less than fourteen 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.</p>
Call deemed to have been made	<p>44. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p>
Directors may extend time	<p>45. The Directors may, from time to time, at their 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 from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.</p>
Amount payable at fixed time or by installments to be treated as calls	<p>46. If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p>
When interest on call or installment payable	<p>47. If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.</p>
Evidence in action by Company against share holder	<p>48. On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>
Payment in anticipation of calls may carry interest	<p>49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p>

<b>Title of Article</b>	<b>Article Number and contents</b>
	The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

## LIEN

<b>Title of Article</b>	<b>Article Number and contents</b>
Partial payment not to preclude forfeiture	50. Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company's lien on Shares/ Debentures	51. The Company shall have first and paramount lien upon all 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 exempt from the provisions of this Article.
As to enforcing lien by sale	52. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.  PROVIDED THAT no sale shall be made:- Unless a sum in respect of which the lien exists is presently payable; or Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.  For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members  The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.
Application of proceeds of sale	53. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and  The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

## FORFEITURE OF SHARES

<b>Title of Article</b>	<b>Article Number and contents</b>
If money payable on Shares not paid notice to be given	54. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	55. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

Title of Article	Article Number and contents
Form of notice	56. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine 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 appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	57. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	58. When any Share shall have been so 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, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	59. Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	60. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	61. The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and 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.
Power to annul forfeiture	62. The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	<p>63. A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.</p>
Provisions of these articles as to forfeiture to	64. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on



<b>Title of Article</b>	<b>Article Number and contents</b>
apply in case of nonpayment of any sum	account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	65. Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said 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 new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	66. The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	67. 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.
Surrender of Shares	68. The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.

## TRANSFER AND TRANSMISSION OF SHARES

<b>Title of Article</b>	<b>Article Number and contents</b>
No transfers to minors etc.	69. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	70. The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application for transfer	71. An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.  Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.  For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post 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.
Execution of transfer	72. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	73. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	74. The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders, in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, 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.
Directors may refuse to register transfer	75. Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board

Title of Article	Article Number and contents
	may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	76. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	77. 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 it, 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 and 56 of the Companies Act, 2013.
Notice of application when to be given	78. 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 Companies Act, 2013.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	79. Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	80. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	81. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	82. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	83. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
`Company not liable for disregard of a notice	84. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice

<b>Title of Article</b>	<b>Article Number and contents</b>
prohibiting registration of transfer	of persons having or claiming any equitable right, title or interest to or in the said 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 to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

## CONVERSION OF SHARES INTO STOCK AND RECONVERSION

<b>Title of Article</b>	<b>Article Number and contents</b>
Share may be converted into stock	85. The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	86. The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under 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 stock arose.
Right of stock holders	87. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	88. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively.

## BORROWING POWERS

<b>Title of Article</b>	<b>Article Number and contents</b>
Power to borrow	89. Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.  PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	90. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

<b>Title of Article</b>	<b>Article Number and contents</b>
Bonds, Debentures, etc. to be subject to control of Directors	91. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.
Terms of issue of Debentures	92. 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. However, 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.
Mortgage of uncalled capital	93. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.
Indemnity may be given	94. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability 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.

#### RELATED PARTY TRANSACTIONS

<b>Title of Article</b>	<b>Article Number and contents</b>
Related Party Transactions	<p>95. A. Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee.</p> <p>B. Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Regulations or any other law for the time being in force, with approval of the shareholders in the general meeting.</p>

#### MEETING OF MEMBERS

<b>Title of Article</b>	<b>Article Number and contents</b>
Annual General Meeting	<p>96. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next.</p> <p>Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.</p> <p>Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a national holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.</p> <p>Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.</p>

Title of Article	Article Number and contents
	<p>At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting.</p> <p>The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.</p>
Report statement and registers to be laid before the Annual General Meeting	97. The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	98. All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.
Requisitionists' Meeting	<p>99. Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified: -</p> <p>Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;</p> <p>In the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.</p> <p>PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within</p>

Title of Article	Article Number and contents
	<p>the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.</p> <p>The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
<p>Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an ExtraOrdinary General Meeting</p>	<p>100. The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>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.</p>
<p>Contents of requisition, and number of requisitionists required and the conduct of Meeting</p>	<p>101. In case of requisition the following provisions shall have effect:</p> <p>The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>by the requisitionists themselves; or</p> <p>by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less.</p> <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.</p> <p>A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p>

Title of Article	Article Number and contents
	<p>shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>shall not be held after the expiration of three months from the date of deposit of the requisition.</p> <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	<p>102. A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice and persons on whom it is to be served	<p>103. Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013;</p> <p>to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>to the Auditor or Auditors for the time being of the Company</p> <p>Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and ordinary business and explanatory statement	<p>104. (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors;</p> <p>the declaration of dividend;</p> <p>the appointment of Directors in the place of those retiring; and</p> <p>the appointment of, and the fixing of the remuneration of the Auditors, and</p>

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	<p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate proceedings	105. The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.
Notice of business to be given	106. No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	<p>107. The quorum for General Meetings shall be as under:-</p> <p>(i) five members personally present if the number of members as on the date of meeting is not more than one thousand;</p> <p>(ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>(iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p> <p>No business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013.</p>
If quorum not present when Meeting to be dissolved and when to be adjourned	108. If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	109. Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	110. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the



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	Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required	111. Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	112. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	113. The Chairman may with the consent of 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.  No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place  When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.  Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	114. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	115. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	116. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	117. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	118. In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	119. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	120. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	121. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive

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	of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.
Postal Ballot	122. The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Regulations as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.

## VOTES OF MEMBERS

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Member paying money in advance not to be entitled to vote in respect thereof	123. 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 moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	124. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	125. Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.  Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.  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 is taken.
Votes of Members of unsound mind	126. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	127. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	128. A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such

Title of Article	Article Number and contents
	<p>person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	129. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was 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 the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	130. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013.
Rights of Members to use votes differently	131. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons 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
Proxies	132. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	133. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	134. No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	135. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	136. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it.
Validity of votes given by proxy notwithstanding revocation of authority	137. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he

<b>Title of Article</b>	<b>Article Number and contents</b>
	may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	138. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	139. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	140. If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

## DIRECTORS

<b>Title of Article</b>	<b>Article Number and contents</b>
Number of Directors	141. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.
Appointment of Directors	142. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	143. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	<p>144. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.</p> <p>The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.</p>

Title of Article	Article Number and contents
	<p>The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>
Special Director	<p>145. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.</p>
Limit on number of non-retiring Directors	<p>146. The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p>
Alternate Director	<p>147. The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.</p>
Directors may fill in vacancies	<p>148. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of</p>

Title of Article	Article Number and contents
	Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	149. Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	150. A Director need not hold any qualification shares.
Directors’ sitting fees	151. The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	152. Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.  Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: by way of monthly, quarterly or annual payment with the approval of the Central Government; or by way of commission if the Company by a Special Resolution authorized such payment.
Traveling expenses incurred by Directors on Company’s business	153. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company 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 traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	154. The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	155. Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:  For the sale, purchase or supply of goods, materials or services; or for underwriting the subscription of any Share in or debentures of the Company; nothing contained in clause (a) of sub-clause (1) shall affect:-  the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or  any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and

Title of Article	Article Number and contents
	<p>services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.</p> <p>PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p> <p>Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into.</p> <p>If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p>
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole-time Director	<p>156. When the Company:- enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Companies Act, 2013 shall be complied with.</p>
Directors of interest General notice of disclosure	<p>157. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013.</p> <p>A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 184 of the Companies Act, 2013 shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</p>
Directors and Managing Director may contract with Company	<p>158. Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with.</p>
Disqualification of the Director	<p>159. A person shall not be capable of being appointed as a Director of the Company if:-</p>

Title of Article	Article Number and contents
	<p>he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;  he is an undischarged insolvent;  he has applied to be adjudged an insolvent and his application is pending;  he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;  he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or  an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment.</p>
Vacation of office by Directors	<p>160. The office of Director shall become vacant if:-  he is found to be of unsound mind by a Court of competent jurisdiction; or  he applies to be adjudged an insolvent; or  he is adjudged an insolvent; or  he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or  he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or  absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or  he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or  he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or  he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or  if by notice in writing to the Company, he resigns his office, or  having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	<p>161. Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:   for thirty days from the date of the adjudication, sentence or order;  where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or  where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	<p>162. The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.  Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.  On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.  where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding</p>



Title of Article	Article Number and contents
	<p>reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:  in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and  send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting:  Provided that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.  A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.  If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly  Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.  Nothing contained in this Article shall be taken:-  as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or  as derogating from any power to remove a Director which may exist apart from this Article.</p>
Interested Directors not to participate or vote in Board's proceedings	<p>163. No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.  Provided however, that nothing herein contained shall apply to:-  any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;  any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;  in his being:  a director of such company; and  the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or  in his being a member holding not more than two percent of its paid-up share capital.</p>
Director may be director of companies promoted by the Company	<p>164. A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable.</p>

#### ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of Directors	<p>165. Not less than two third of the total number of Directors shall:  Be persons whose period of the office is liable to termination by retirement by rotation and  Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>

<b>Title of Article</b>	<b>Article Number and contents</b>
Retirement of Directors	166. Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	167. Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	168. The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.  Subject to the provisions of Section 161 of the Companies Act, 2013 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.
Ascertainment of Directors retiring by rotation and filling of vacancies	169. Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	170. A retiring Director shall be eligible for re-election and shall act as a Director through out and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	171. At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	172. If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.  If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless: at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost. the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. he is not qualified or is disqualified for appointment. a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or section 162 of the Companies Act, 2013 is applicable to the case
Company may increase or reduce the number of Directors or remove any Director	173. Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	174. No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.  A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.

Title of Article	Article Number and contents
	For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Notice of candidature for office of Directors except in certain cases	<p>175. No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed.</p> <p>Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>A person other than:</p> <p>a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or  an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office  shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
Disclosure by Directors of their holdings of their Shares and debentures of the Company	176. Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of BodyCorporate	177. A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

## MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	178. Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, 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.

<b>Title of Article</b>	<b>Article Number and contents</b>
	The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable. Subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation.
Remuneration of Managing Director	179. Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	180. Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director	181. The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers. 182. 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. 183. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company. 184. 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. 185. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	186. The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient.

## WHOLE TIME DIRECTOR

<b>Title of Article</b>	<b>Article Number and contents</b>
Power to appoint Whole-Time Director and/or Whole-time Directors	187. Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board

	may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what provisions Whole time Directors shall subject	188. Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	189. If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.

## PROCEEDINGS OF THE BOARD OF DIRECTORS

<b>Title of Article</b>	<b>Article Number and contents</b>
Meeting of Directors	190. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	191. Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.  PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time.  For the purpose of clause (a)  "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	192. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	193. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes

<b>Title of Article</b>	<b>Article Number and contents</b>
	after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	194. Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	195. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	196. The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	197. 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. Quorum for the Committee meetings shall be two.
Circular resolution	198. A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.  A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	199. 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 one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

## **POWERS OF THE BOARD**

<b>Title of Article</b>	<b>Article Number and contents</b>
General powers of management vested in the Board of Directors	200. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.  Provided that the Board shall not, except with the consent of the Company in General Meeting :-

Title of Article	Article Number and contents
	<p>sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>remit, or give time for the repayment of, any debt due by a Director,</p> <p>invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
<p>Certain powers to be exercised by the Board only at Meetings</p>	<p>201. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>the power to issue Debentures,</p> <p>the power to borrow moneys otherwise than on Debentures,</p> <p>the power to invest the funds of the Company, and</p> <p>the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c),(d) and (e) to the extent specified below.</p> <p>Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
<p>Certain powers of the Board</p>	<p>202. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p>

Title of Article	Article Number and contents
	<p>To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages 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.</p> <p>To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.</p> <p>To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>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 293(1)(e) of the Act, to subscribe or contribute or otherwise to</p>



Title of Article	Article Number and contents
	<p>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>Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, 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.</p> <p>To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, 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 fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as 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 and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.</p> <p>To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys</p>

Title of Article	Article Number and contents
	<p>as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes 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>From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable 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.</p> <p>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>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>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>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 freehold 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>To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>To let, sell or otherwise dispose of subject to the provisions of Section 293 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>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>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>

## MANAGEMENT

Title of Article	Article Number and contents
Appointment of different categories of Key managerial personnel	<p>203. The Company shall have the following whole-time key managerial personnel,—</p> <p>(i) managing director, or Chief Executive Officer or manager and in their absence, a whole-time director;</p> <p>(ii) company secretary; and</p> <p>(iii) Chief Financial Officer</p>

Same person may be Chairperson of the Board and MD/CEO	203A. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.
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## MINUTES

Title of Article	Article Number and contents
Minutes to be made	204. The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.  Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds	205. The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.
Books of minutes of General Meeting to be kept	The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	206. Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

## THE SECRETARY

Title of Article	Article Number and contents
Secretary	207. The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies Act, read with rules made thereunder.
The Seal, its custody and use	208. (a) The Board shall provide for the safe custody of the seal.  (b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	209. 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

Title of Article	Article Number and contents
	<p>any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	210. The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	211. No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013.
Interim Dividend	212. The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	<p>213. 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.</p> <p>The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p>
Capital paid-up in advance to carry interest, not the right to earn dividend	214. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	215. 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 provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	216. No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	217. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	218. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	219. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in 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. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	220. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	221. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied 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 Directors may from time to time think fit.

Title of Article	Article Number and contents
Dividend to be paid within time required by law.	<p>222. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-</p> <p>where the dividend could not be paid by reason of the operation on any law; or  where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or  where there is dispute regarding the right to receive the dividend; or  where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or  where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</p>
Unpaid or unclaimed dividend	<p>223. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Omfurn India Limited(year) Unpaid Dividend Account".</p> <p>Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act, 2013.</p> <p>No unclaimed or unpaid dividend shall be forfeited by the Board.</p>
Set-off of calls against dividends	<p>224. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.</p>
Dividends in cash	<p>225. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.</p>
Capitalisation	<p>226. The Company in General Meeting may, upon the recommendation of the Board, resolve: That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and  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 proportion.</p> <p>The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;  paying up any amount for the time being unpaid on any Shares held by such Members respectively, or  paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or  partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</p> <p>A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p>
Board to give effect	<p>227. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.</p>
Fractional certificates	<p>228. Whenever such a resolution as aforesaid shall have been passed, the Board shall; make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and  Generally do all acts and things required to give effect thereto.</p>

Title of Article	Article Number and contents
	<p>The Board shall have full power: to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.</p> <p>Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>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 question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>

## ACCOUNTS

Title of Article	Article Number and Contents
Books to be kept	<p>229. The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place all sales and purchases of goods by the Company the assets and liabilities of the Company and if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p>
Inspection by Members	<p>230. No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.</p>
Statements of accounts to be furnished to General Meeting	<p>231. The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.</p>
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136	<p>232. The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.</p> <p>The copies of every balance sheet including the Profit &amp; Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p>

	<p>A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p>
Accounts to be audited	<p>233. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.</p>
Appointment of Auditors	<p>234. Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.</p> <p>The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.</p> <p>The company or shall not appoint or re-appoint—</p> <p>(a) an individual as auditor for more than one term of five consecutive years; and (b) an audit firm as auditor for more than two terms of five consecutive years:</p> <p>Provided that—</p> <p>(i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;</p> <p>(ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term:</p> <p>Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—</p> <p>(a) he is not disqualified for re-appointment;</p> <p>(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and</p> <p>(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.</p> <p>Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.</p> <p>Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.</p> <p>Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause (3).</p>
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	<p>235. Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.</p>

## DOCUMENTS AND NOTICES

<b>Title of Article</b>	<b>Article Number and Contents</b>
To whom documents must be served or given	236. Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company
Members bound by documents or notices served on or given to previous holders	237. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	238. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	239. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.

## REGISTERS AND DOCUMENTS

<b>Title of Article</b>	<b>Article Number and Contents</b>
Registers and documents to be maintained by the Company	240. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act, 2013 Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013. Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013. Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013. Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013. Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013. Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act, 2013. Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 of the Companies Act, 2013. Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act, 2013.
Inspection of Registers	241. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.

## WINDING UP

<b>Title of Article</b>	<b>Article Number and Contents</b>
Distribution of assets	242. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid



Title of Article	Article Number and Contents
	up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or kind	<p>243. If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
Right of shareholders in case of sale	244. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	245. Every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter 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 office 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 Companies Act, 2013 in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	246. Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECURITY CLAUSE

Title of Article	Article Number and Contents
Secrecy Clause	247. Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	248. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

**GENERAL**

Title of Article	Article Number and Contents
General Power	249. 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 authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECTION XIII - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus and the Prospectus will 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 109, Gundecha Industrial Complex, Akrurli Road, Kandivali (East), Mumbai-400101, Maharashtra, India, from the date of the Red Herring Prospectus until the date of closing of the subscription list on all Working days (Monday to Friday) from 10:00 a.m to 5:00 p.m online at website of the Company [www.omfurnindia.com](http://www.omfurnindia.com) .

#### MATERIAL CONTRACTS

1. Issue Agreement dated December 28, 2023 between our Company and Book Running Lead Manager
2. Registrar to the Issue Agreement dated December 27, 2023 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated [●] between our Company, the Book Running Lead Manager and Underwriters.
4. Market Making Agreement dated [●] between our Company, the Book Running Lead Manager and the Market Maker.
5. Tripartite agreement dated September 08, 2017, among NSDL, our Company and the Registrar to the Issue.
6. Tripartite agreement dated September 06, 2017, among CDSL, our Company and the Registrar to the Issue.
7. Bankers to the Issue Agreement dated [●] between our Company, the Book Running Lead Manager, Banker to the Issue/ Sponsor Bank and Registrar to the Issue
8. Syndicate Agreement dated [●] among our Company, the Book Running Lead Manager and Syndicate Member
9. Share Escrow Agreement dated [●] between the Company, Book Running Lead Manager and the Share Escrow Agent

#### MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2. Certificate of Incorporation dated November 11, 1997 issued by the Registrar of Companies, Maharashtra, Mumbai.
3. Fresh Certificate of Incorporation dated April 21, 2013 issued by the Registrar of Companies, Mumbai consequent to name change from "Om Vishwakarma Furniture Private Limited" to "Omfurn India Private Limited"
4. Fresh Certificate of Incorporation dated June 15, 2017 issued by the Registrar of Companies, Mumbai consequent upon Conversion of the Company to Public Company.
5. Resolution of the Board dated August 22<sup>nd</sup>, 2023 authorizing the Issue.
6. Special Resolution of the shareholders passed at the Annual General Meeting dated September 26, 2023 authorizing the Issue.
7. Copies of Audited Financial Statements of our Company for the stub period ended September 30, 2023 and for the years ended March 31, 2023, 2022 & 2021.
8. Peer Review Auditors Report dated December 28, 2023 on Restated Financial Statements of our Company for the period ended September 30, 2023 and for the years ended March 31, 2023, 2022 & 2021.
9. Copy of the Statement of Tax Benefits dated December 28, 2023 from the Statutory Auditor.
10. Certificate from the Statutory Auditor of the Company dated December 28, 2023 with respect to the KPIs disclosed in this Draft Red Herring Prospectus.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated December 28, 2023 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated [●] filed with NSE and dated [●] filed with SEBI.
14. Approval from NSE vide letter dated [●] to use the name of NSE in the Prospectus for further issue of Equity Shares on the NSE EMERGE.

Any of the contracts or documents mentioned in this Draft 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, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India, or the guidelines and regulations issued by the Securities and Exchange Board of India, established under Regulation 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 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. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct

NAME AND DESIGNATION	SIGNATURE
Rajendra Chitbahal Vishwakarma <i>Managing Director</i> DIN: 00091492	Sd/-
Mahendra Chitbahal Vishwakarma <i>Executive Director</i> DIN: 00096586	Sd/-
Narendra Chitbahal Vishwakarma <i>Executive Director</i> DIN: 00103447	Sd/-
Parag Shrikrishna Edwankar <i>Non-Executive Director</i> DIN: : 02834656	Sd/-
Sudhir Jayantilal Shah <i>Independent Director</i> DIN: 00302584	Sd/-
Prasad Chirravuri <i>Independent Director</i> DIN: 08604812	Sd/-
Geeta <i>Independent Director</i> DIN: 08769814	Sd/-
Madhav Deshpande <i>Independent Director</i> DIN: 01537794	Sd/-
Parmanand Mahendra Vishwakarma <i>Whole Time Director</i> DIN: 10227573	Sd/-
Prashant Rajendra Vishwakarma <i>Whole Time Director</i> DIN: 10228817	Sd/-

### **SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

Sd/-  
**MAHENDRA CHITBAHAL VISHWAKARMA**  
*Chief Financial Officer*

Sd/-  
**DHARA PRATIK SHAH**  
*Company Secretary & Compliance Officer*

**Place: Mumbai**  
**Date: December 28, 2023**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED**

Sr. No.	Issuer Name	Type of Issue	Issue Size (Cr)	Issue Price (In ₹)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / - % change in Closing benchmark] 30th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 180th calendar days from listing
1	Reetech International Cargo and Courier Limited	SME	11.71	105.00	October 10, 2022	82.00	-0.78, [5.25]	-7.89, [3.29]	-14.23, [3.18]
2	ResGen Limited	SME	28.20	47.00	March 13, 2023	49.00	18.10, [3.70]	-2.75, [7.53]	67.49, [14.36]
3	Sudarshan Pharma Industries Limited	SME	50.10	73.00	March 22, 2023	73.00	6.50, [2.47]	-1.23, [8.78]	13.21, [16.12]
4	Retina Paints Limited	SME	11.10	30.00	May 3, 2023	29.05	32.82, [2.21]	55.54, [8.61]	96.72, [7.06]
5	Innokaiz India Limited	SME	21.17	78.00	May 11, 2023	148.20	-21.86, [1.16]	-7.08, [6.61]	-22.88, [4.91]
6	Comrade Appliances Limited	SME	12.30	54.00	June 13, 2023	87.00	15.80, [3.83]	80.62, [6.31]	51.89, [10.58]
7	Shelter Pharma Limited	SME	16.03	42.00	August 23, 2023	39.97	4.62, [0.88]	54.72, [0.76]	N.A.
8	Transteel Seating Technologies Limited	SME	49.98	70.00	November 6, 2023	88.90	-0.64, [10.53]	N.A.	N.A.
9	Kalyani Cast-Tech Limited	SME	30.11	139.00	November 17, 2023	264.10	44.32, [8.65]	N.A.	N.A.
10	Amic Forging Limited	SME	34.80	126.00	December 6, 2023	239.40	N.A.	N.A.	N.A.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- The BSE SENSEX and NSE NIFTY are considered as the Benchmark Index.
- Price on BSE & NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Lead Manager are provided.

## SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	*3	46.39	--	--	--	2	--	1	--	--	--	2	--	1
2022-23	**9	179.70	--	--	3	2	1	3	--	2	1	5	--	1
2023-24	***7 <sup>^</sup>	175.48	--	--	2	--	2	2	--	--	1	2	--	--

Upto December 28, 2023

\*The scrip with Listing date Platinum One Business Services Limited (September 16, 2021), Markolines Traffic Controls Limited (September 27, 2021) and Clara Industries Limited (December 29, 2021)

\*\*The scrip with Listing date Goel Food Products Limited (June 28, 2022), Sailani Tours N Travels Limited (July 08, 2022), Jayant Infratech Limited (July 13, 2022), B-Right RealEstate Limited (July 13, 2022), Shantidoot Infra Services Limited (September 19, 2022), Steelman Telecom Limited (October 10, 2022), Reetech International Cargo and Courier Limited (October 10, 2022), ResGen Limited (March 13, 2023) and Sudarshan Pharma Industries Limited (March 22, 2023).

\*\*\* The scrip with Listing date Retina Paints Limited (May 03, 2023), Innokaiz India Limited (May 11, 2023), Comrade Appliances Limited (June 13, 2023), Shelter Pharma Limited (August 23, 2023), Transteel Seating Technologies Limited (November 06, 2023), Kalyani Cast-Tech Limited (November 17, 2023) and Amic Forging Limited (December 06, 2023)

<sup>^</sup> The scrip of Shelter Pharma Limited, Transteel Seating Technologies Limited, Kalyani Cast-Tech Limited & Amic Forging Limited have not completed 180 Days from the date of listing and scrip of Amic Forging Limited have not completed 30 Days from the date of listing