**DRAFT RED HERRING PROSPECTUS**

Dated: September 30, 2024

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

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

100% Book Built Issue

**ASHA RESINS LIMITED****CIN: U99999MH1993PLC073569**

Registered Office	Contact Person	Email and Telephone	Website
Gat No. 227/2 A/P Dhanore, Khed Taluka, Pune, Maharashtra, 412105	Harshada Rohan Petkar Company Secretary & Compliance Officer	E-mail: cs@asharesins.com Tel No: +91-9404242201	www.asharesins.com

Promoters of the Company
Kiran Mohanlal Karnawat, Asha Mohanlal Karnawat, Seema Kiran Karnawat and Sneha Kiran Karnawat

DETAILS OF THE ISSUE				
Type	Fresh Issue Size (in ₹ Lakhs)	OFS Size (by no. of Shares or by amount in ₹)	Total Issue Size (in ₹ Lakhs)	Eligibility
Fresh Issue	32,88,000 Equity Shares aggregating to ₹ [●] Lakhs	Nil	₹ [●] Lakhs	This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

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

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price 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 under “*Basis for Issue Price*” on page 75 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 24 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the 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 Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE Emerge”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated [●] from NSE (NSE EMERGE) for using its name in the Offer Document. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 HEM SECURITIES LIMITED	Neelkanth Agarwal	Email: ib@hemsecurities.com Tel. No.: +91- 22- 49060000

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 CAMEO CORPORATE SERVICES LIMITED	K. Sreepriya	Email: ipo@cameoindia.com Tel No.: +91 44 40020700

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*	BID/ISSUE OPENS ON: [●]	BID/ISSUE CLOSES ON: [●]**

*The Company may, in consultation with the Book Running Lead Manager, 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.

**ASHA RESINS LIMITED**

CIN: U99999MH1993PLC073569

Our Company was originally incorporated as a private limited Company under the name of "Asha Resins Private Limited" on August 20, 1993 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra bearing registration number as 073569. Thereafter, our Company was converted from private limited to public limited, pursuant to a special resolution passed by the shareholders of our Company on July 03, 2024 and the name of the Company was changed from "Asha Resins Private Limited" to "Asha Resins Limited" vide fresh certificate of incorporation dated September 18, 2024, issued by the Registrar of Companies, Pune, Maharashtra. The Corporate identification number of our Company is U99999MH1993PLC073569.

Registered Office: Gat No. 227/2 A/P Dhanore, Khed Taluka, Pune, Maharashtra, 412105

Contact Person: Harshada Rohan Petkar, Company Secretary & Compliance Officer

Tel No.: +91-9404242201; **E-mail:** cs@asharesins.com; **Website:** https://www.asharesins.com

Promoters of our Company: Kiran Mohanlal Karnawat, Asha Mohanlal Karnawat, Seema Kiran Karnawat and Sneha Kiran Karnawat

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 32,88,000 EQUITY SHARES OF FACE VALUE OF INR 10/- EACH (THE "EQUITY SHARES") OF ASHA RESINS LIMITED ("OUR COMPANY" OR "ARL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF INR 10 EACH, AT AN ISSUE PRICE OF INR [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.44% AND [●] % RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND ALL EDITION OF [●], A REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF PUNE WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. 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 press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

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. 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 ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize 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 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 218 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 75 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 24 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the 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 Issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from NSE (NSE EMERGE) for using its name in the Offer Document. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. ("NSE")

BOOK RUNNING LEAD MANAGER TO THE ISSUE**HEM SECURITIES LIMITED**

904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India
Tel. No.: +91-22-49060000; **Fax No.:** +91-22-22625991
Email: hb@hemsecurities.com
Investor Grievance Email: redressal@hemsecurities.com
Website: www.hemsecurities.com
Contact Person: Neelkanth Agarwal
SEBI Regn. No. INM000010981

REGISTRAR TO THE ISSUE**CAMEO CORPORATE SERVICES LIMITED**

Cameo Corporate Services Limited
Address: Subramanian Building, No. 1, Club House Road, Chennai- 600002
Telephone: +91 44 40020700/28460390; **Email:** ipo@cameoindia.com
Investor Grievance Email: investor@cameoindia.com
Website: www.cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration Number: INR000003753
CIN: U67120TN1998PLC041613

ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*

BID/ISSUE OPENS ON: [●]

BID/ISSUE CLOSES ON: [●]**

*The Company may, in consultation with the Book Running Lead Manager, 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.

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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, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992 (“SCRA”), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on 82, 139 and 253 respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Terms	Description
“ARL”, “the Company”, “our Company”, “Issuer” and “Asha Resins Limited”	Asha Resins Limited, a Company incorporated in India under the Companies Act, 1956, having its Registered office at Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105
“we”, “us” and “our”	Unless the context otherwise indicates or implies refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.

Company related and Conventional terms

Term	Description
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as described in the chapter titled “ Our Management ” beginning on page 119 of this Draft Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being S.M. Kothari & Co (FRN:105328W)
Bankers to our Company	[●]
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ Our Management ” beginning on page 119 of this Draft Red Herring Prospectus.
Chairman	The Chairman of our Company is Kiran Mohanlal Karnawat
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company is Seema Kiran Karnawat
CIN	Corporate Identification Number being U99999MH1993PLC073569
Companies Act/ Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Harshada Rohan Petkar (M. No. 44584)
CSR Committee/ Corporate Social Responsibility Committee	Constitution of Corporate Social Responsibility Committee is not applicable as per the Section 135 of the Companies Act
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Director(s)/ Our Directors	The Director(s) of our Company, unless otherwise specified. For details of our directors, see “ Our Management ” on page 119 of this Draft Red Herring Prospectus
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DP ID	Depository’s Participant’s Identity Number

Term	Description
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Shares	Equity Shares of the Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Factory	The factory of the company is situated at Gat No. 227/2A/P, Dhanore, Khed, Pune, Maharashtra – 412105
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies/ Group Company	Our group companies identified in accordance with SEBI (ICDR) Regulations and in accordance with our Materiality Policy. For details, see section titled “Our Group Companies” on page 191 of this Draft Red Herring Prospectus.
GIR Number	General Index Registry Number.
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
ISIN	International Securities Identification Number, in this case being INE10VR01018.
IT Act	The Income Tax Act, 1961 as amended till date.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the SEBI (LODR) Regulations. For details of our Independent Directors, see “Our Management” on page 119 of this Draft Red Herring Prospectus.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled “Our Management” on page 119 of this Draft Red Herring Prospectus.
LLP	Limited Liability Partnership
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Asha Resins Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Kiran Mohanlal Karnawat
Materiality Policy	The policy adopted by our Board on September 23, 2024 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled “Our Management” beginning on page 119 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Non-debt instruments) Rules, 2019
Promoters	Shall mean promoters of our Company i.e., Kiran Mohanlal Karnawat, Asha Mohanlal Karnawat, Seema Kiran Karnawat, Sneha Kiran Karnawat. For further details, please refer to section titled “Our Promoters & Promoters Group” beginning on page 132 of this Draft Red Herring Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “Our Promoters & Promoters Group” beginning on page 132 of this Draft Red Herring Prospectus.
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership, Limited Liability Company, Joint Venture, or Trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The Registered Office of our Company situated at Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The Restated Financial Information of the Company, comprising of the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March

Term	Description
	31, 2022 and the Restated Statements of Profit and Loss and Cash Flows for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Registrar of Companies, PCNTDA Green Building, BLOCK A, 1st & 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune-411044, Maharashtra.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (FVCI) Regulations	Securities Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ SEBI Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled " <i>Our Management</i> " beginning on page 119 of this Draft Red Herring Prospectus.
SME Exchange	SME Platform of the National Stock Exchange Limited i.e. "NSE EMERGE"
Shareholders/Equity Shareholders	Shareholders of our Company from time to time.
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA being Kiran Mohanlal Karnawat, Asha Mohanlal Karnavat, Vikas Mohanlal Karnavat, Sunita Sanjay Karnavat

Issue Related Terms

Terms	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee (s)	A successful bidder to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application 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 Prospectus

Terms	Description
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the 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 Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the 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.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	Any prospective investor(s)/ Bidder (s) in this Issue who apply (ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application	An application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 218 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at 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 Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting

Terms	Description
	Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi Edition of Regional newspaper [●] where the registered office of the company is situated, 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 Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
First Bidder/Applicant/Bidders	Bidder(s) 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
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM/ Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker Centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue 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.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their Address, PAN, name of the Bidders father/husband, investor status, occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidder can submit the Bid-Cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible

Terms	Description
	to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e., www.nseindia.com
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[●]
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e., www.nseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid-Cum-Application Form from the Bidder and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Designated Stock Exchange	National Stock Exchange of India Limited (NSE Emerge i.e., SME platform of NSE)
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated September 30, 2024 issued in accordance with Sections 26 & 32 of the Companies Act, 2013
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) 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(s) 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
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.

Terms	Description
General Information Document (GID)	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 issued by SEBI, suitably modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time
Issue Agreement	The Issue Agreement dated September 25, 2024 between our Company and Book Running Lead Manager.
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Issue of upto 32,88,000 Equity shares of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs
Issue Price	The final price at which the Equity shares will be allotted in terms of the Red Herring Prospectus and the Prospectus, as determined by our company in consultation with BRLM on the Pricing date in accordance with the Book-Building process and the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 67 of this Draft Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE (SME platform). In our case, [●] is the sole Market Maker
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 is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹[●] per equity share aggregating to ₹[●] Lakhs.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 67 of this Draft Red Herring Prospectus.
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Non – Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Other Investor	Investors other than Retail Individual Investors. These include individual Bidders other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was

Terms	Description
	in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Sections 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts and from the Escrow Accounts in case of Anchor Investor(s), on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) 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 BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The Red Herring Prospectus 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 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership either NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Cameo Corporate Services Limited
Registrar Agreement	The agreement dated September 18, 2024 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.

Terms	Description
Refund Account(s)	Accounts to which the monies to be refunded to the Bidders is transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2018.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs 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, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
SEBI SAST/ SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SEBI (FPI) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SME Exchange	SME Platform of the National Stock Exchange of India Limited i.e., “NSE Emerge”
SEBI (PFUTP) Regulations/ PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Securities Laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Non- Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.

Terms	Description
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Bidder as proof of registration of the Application.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated [●] entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, 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, 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/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI)
UPI ID Linked Bank Account	Account of the RIIs, applying in the issue using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund/VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s) or a fraudulent borrower	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– announcement of Price Band; and Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
AIDef	AI in Defence
B2B	Business to Business
BIS	Bureau of Indian Standards

Term	Description
BOT	Build-Operate-Transfer
CAD	Current Account Deficit
CEPA	Comprehensive Partnership Agreement
CIPET	Central Institute of Petrochemicals Engineering & Technology
COVID-19	coronavirus disease 2019
CSTS	Centres for Skilling and Technical Support
DAE	Department of Atomic Energy
DPA	Deendayal Port Authority
DPIIT	Department for Promotion of Industry and Internal Trade
EMDE	Emerging Market and Developing Economies
FPI	Foreign Portfolio Investment
FRE	First Revised Estimates
FTA	Free Trade Agreement
GDP	Gross domestic product
GIDC	Gujarat Infrastructure Development Corporation
HDPE	High-Density Polyethylene
HFI	High-Frequency Indicators
ISO	Indian Standard Organization
KPI	Key Performance Indicators
KTPA	Kilo-Tonnes Per Annum
MoU	Memorandum of Understanding
MNCs	Multinational Corporation
MSME	Micro, Small, and Medium Enterprises
MTPA	metric tonnes per annum
PCPIR	Petroleum, Chemicals and Petrochemicals Investment Regions
PLI	production-linked incentive
PPP	Public-Private Partnership
PMI	Purchasing Managers Index
RSDC	Rubber Skill Development Council
TTDF	Telecom Technology Development Fund
USOF	Universal Service Obligation Fund
QC	Quality Control
QMS	Quality Management System

Conventional terms and Abbreviations

Abbreviation	Full Form
Rs. / Rupees/ INR/ ₹	Indian Rupees, the legal currency of the Republic of India
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B.A.	Bachelor of Arts
B.Com	Bachelor of Commerce
B.E.	Bachelor of Engineering
B.Sc	Bachelor of Science
B.Tech	Bachelor of Technology
Bn	Billion
BG/ LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction

Abbreviation	Full Form
BSE	BSE Limited
BRLM	Book Running Lead Manager
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY/ Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.

Abbreviation	Full Form
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
FV	Face Value
GoI/ Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IT Act	Information Technology Act, 2000
IFRS	International Financial Reporting Standards
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LLB	Bachelor of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Net worth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House

Abbreviation	Full Form
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB 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 the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Abbreviation	Full Form
SEBI SBEBWE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985
SSI	Small Scale Industry
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/United States	United States of America
U.S. Securities Act	The United States Securities Act, 1933
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be.
Willful Defaulter(s)	Company or person categorised as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

Certain Conventions

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Asha Resins Limited. All references in the Draft Red Herring Prospectus to “India” are to the Republic of India. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

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

Use of Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated financial information prepared for the Financial year March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with Accounting Standards (Indian GAAP), the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 139 of this Draft Red Herring Prospectus.

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, Indian GAAP, 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 Indian GAAP, 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.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Statutory Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 139 of this Draft Red Herring Prospectus. As on date of the Draft Red Herring Prospectus we do not have any subsidiary or associate company. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 253 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein 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.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources. In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “*Basis for Issue Price*” on page 75 of the Draft Red Herring Prospectus includes information relating to our peer

group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency of Financial Presentation

All references to “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “*Industry Overview*” throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” on page 24, 97 and 173 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Performance of the Chemical industries in India;
2. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
3. Changes in consumer demand;
4. Failure to successfully upgrade our product portfolio, from time to time;
5. Any change in government policies resulting in increases in taxes payable by us;
6. Our ability to retain our key managements persons and other employees;
7. Changes in laws and regulations that apply to the industries in which we operate.
8. Our failure to keep pace with rapid changes in technology;
9. Our ability to grow our business;
10. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
11. General economic, political and other risks that are out of our control;
12. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Company’s ability to successfully implement its growth strategy and expansion plans ;
14. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
15. Inability to successfully obtain registrations in a timely manner or at all;
16. Occurrence of Environmental Problems & Uninsured Losses;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. Any adverse outcome in the legal proceedings in which we are involved;
19. Concentration of ownership among our Promoter;
20. The performance of the financial markets in India and globally;
21. Impact of covid-19 on our business and operations; and
22. Global distress due to pandemic, war or by any other reason.

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 24, 97 and 173 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors 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.

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

SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS

A. SUMMARY OF BUSINESS

We are engaged in the business of manufacturing of wide range of water and wastewater treatment chemicals. Our extensive product portfolio includes ion exchange resins, biocides, dispersants, polyelectrolytes, settling agents, color-removing chemicals, antiscalants, oxygen scavengers, hardness reducers, and cleaning chemicals, as well as sugar process chemicals, RO treatment chemicals, and fuel additives. Our products find diverse applications across various industries, particularly in water and wastewater treatment for sectors such as pharmaceuticals, oil and gas, chemicals, and textiles.

For further details please refer to the chapter titled “Our Business” beginning on page 97 of this Draft Red Herring Prospectus.

B. SUMMARY OF INDUSTRY

India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India’s GDP. India’s chemical sector, which is currently estimated to be worth US\$ 220 billion in 2022 and is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040. Water and wastewater management is a promising subsector in India’s environmental technology segment. The private sector power, food and beverage, chemicals, pharmaceuticals, refineries, and textiles industries prefer advanced treatment technological systems such as reverse osmosis membranes for treating their wastewater. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals).

For further details please refer to the chapter titled “Industry Overview” beginning on page 85 of this Draft Red Herring Prospectus.

C. PROMOTER

The promoters of our company are Kiran Mohanlal Karnawat, Asha Mohanlal Karnavat, Seema Kiran Karnawat and Sneha Kiran Karnawat.

D. SIZE OF THE ISSUE

Initial public offer consisting of up to 32,88,000 Equity shares of face value of ₹10.00 each (“equity shares”) of Asha Resins Limited (the “Company” or the “Issuer”) for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the “Issue Price”) aggregating to ₹ [●] Lakh (“The Issue”), of which [●] equity shares of face value of ₹ 10.00 each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakh will be reserved for subscription by market maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e., Net Issue of [●] equity shares of face value of ₹ 10.00 each at a price of ₹ [●] per equity share aggregating to ₹ [●] Lakh herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.44% and [●]% respectively of the post offer paid up equity share capital of the company.

E. OBJECTS OF THE ISSUE

The net issue proceeds are proposed to be used in accordance with the details as set forth below:

		(₹ in Lakhs)
Sr. No	Particulars	Amount
1.	Funding of capital expenditure towards civil construction work in the existing premises of factory	626.09
2.	Funding of capital expenditure towards installation of additional Plant & Machinery in the existing premises of factory	989.77
3.	General Corporate Purpose*	[●]
	Total	[●]

**To be finalized upon determination of the Issue Price and update in the prospectus prior to the filing with the RoC. The amount utilized for general corporate purpose shall not exceed 25% of the Gross Proceeds.*

F. PRE-ISSUE SHAREHOLDING OF PROMOTERS & PROMOTER GROUP

The aggregate pre-issue shareholding of the promoter and promoter group as a percentage of the paid-up capital of the issuer is as below:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters (A)				
1.	Kiran Mohanlal Karnawat	6,710,000	73.33 %	6,710,000	[●]
2.	Asha Mohanlal Karnawat	1,281,000	14.00 %	1,281,000	[●]
3.	Seema Kiran Karnawat	9,15,000	10.00 %	9,15,000	[●]
4.	Sneha Kiran Karnawat	2,43,997	2.66 %	2,43,997	[●]
	Sub Total (A)	91,49,997	99.99%	91,49,997	[●]
	Promoter Group (B)				
5.	Veeram Kiran Karnawat	1	Negligible	1	[●]
	Sub Total (B)	1	-	1	[●]
	Total (A) + (B)	91,49,998	99.99%	91,49,998	[●]

G. SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for the financial year ended March 31, 2024, March 31, 2023, and March 31, 2022 are as below:

(₹ in Lakhs)				
Sr. No.	Particulars	March 31, 2024	March 31, 2023	March 31, 2022
1.	Paid up Share Capital	15.00	15.00	15.00
2.	Net worth	1,415.97	1,043.02	828.63
3.	Total Net Revenue (Operations)	1,640.56	1,902.04	1,597.76
4.	Profit After Tax	372.95	214.34	177.60
5.	Earnings Per Share – Basic/Diluted	4.08	2.34	1.94
6.	NAV per Equity Shares (Before Bonus)	9,439.82	6,953.46	5,524.21
7.	NAV per Equity Shares (Post Bonus)	15.48	11.40	9.06
8.	Total Borrowing	-	-	5.84

H. AUDITORS QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

There are no audit qualifications which have not been given effect in the restated financial statements.

I. SUMMARY OF OUTSTANDING LITIGATIONS

There are outstanding legal proceedings involving our Company, our Directors and our Promoters. For details, see “*Outstanding Litigation and Material Developments*” beginning on page 182 of this Draft Red Herring Prospectus.

Litigations involving the Company: Nil

Litigations involving our Promoter & Directors:

(₹ in lakhs)		
Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal proceedings against the Promoter & Director	1	5.00
Criminal proceedings filed by the Promoter & Director	1	5.00
Other pending material litigation against Promoter & Director	-	-
Tax proceedings:		
Direct Tax	1	0.36
Indirect Tax	-	-
Other pending material litigation filed by Promoter & Director	-	-
Total	3	10.36

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus. For further

details, please refer to the chapter titled “**Outstanding Litigations and Material Developments**” on page 182 of this Draft Red Herring Prospectus.

J. RISK FACTORS

Please see “**Risk Factors**” beginning on page 24 of this Draft Red Herring Prospectus.

K. SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

There are no Contingent Liabilities of the Company for financial year 2024, 2023 and 2022.

L. SUMMARY OF RELATED PARTY TRANSACTIONS

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

(i) Names of the related party and nature of relationship where control/significant influence exists Key management personnel (KMP) and their close members of family

Name of the related party	Nature of Relationship
Kiran Mohanlal Karnawat	Managing Director
Asha Mohanlal Karnawat	Non- Executive Director
Seema Kiran Karnawat	Whole Time Director and CFO w.e.f. 20.09.2024
Harshada Rohan Petkar	Company Secretary w.e.f. 23.09.2024
Vikas Mohanlal Karnavat	Relative of Director
Veeram Kiran Karnawat	Relative of Director
Nakoda Water Care Systems	Enterprise under significant influence of Director
Navkaar Distributors	Enterprise under significant influence of Relative of Director

(ii) Details of transactions with related parties and balances

Name	Relationship	Nature of transaction	(₹ In Lakhs)					
			31 March 2024		31 March 2023		31 March 2022	
			Amount of transaction during the year	Balance as at 31 March 2024 Receivables/(Payables)	Amount of transaction during the year	Balance as at 31 March 2023 Receivables/(Payables)	Amount of transaction during the year	Balance as at 31 March 2022 Receivables/(Payables)
Kiran Mohanlal Karnawat	Managing Director	Director Remuneration	30.00	(7.63)	30.00	(11.08)	30.00	(15.36)
Asha Mohanlal Karnavat	Non-Executive Director	Director Remuneration	15.00	(32.63)	15.00	(22.99)	15.00	(13.52)
Seema Kiran Karnawat	Whole Time Director	Director Remuneration	24.00	(20.34)	24.00	(27.86)	24.00	(23.04)
Vikas Mohanlal Karnavat	Relative of Director	Salary	10.00	(31.45)	12.00	(23.10)	12.00	(13.24)
Veeram Kiran Karnawat	Relative of Director	Salary	2.75	(0.02)	3.00	(2.58)	3.00	(2.58)
Nakoda Water Care Systems	Enterprise under significant	Sales	0.94	-	21.42	6.35	14.99	5.50

Name	Relationship	Nature of transaction	31 March 2024		31 March 2023		31 March 2022	
			Amount of transaction during the year	Balance as at 31 March 2024 Receivables/(Payables)	Amount of transaction during the year	Balance as at 31 March 2023 Receivables/(Payables)	Amount of transaction during the year	Balance as at 31 March 2022 Receivables/(Payables)
	influence of Director							
Navkaar Distributor	Enterprise under significant influence of relative of Director	Loans & Advance	50.00	75.07	25.00	25.07	25.00	50.07

For detailed information on the related party transactions executed by our Company, please refer “**Annexure W**” appearing under Chapter titled “**Restated Financial Information**” beginning on page no 167 of this Draft Red Herring Prospectus.

M. FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the company which is a promoter of the issuer, the Directors of the issuer and their relatives have not financed the purchase by any other person of securities of the Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

Weighted average price at which the Equity Shares were acquired by our Promoter in last one year preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Promoters	No. of Shares acquired	Average cost of Acquisition (in ₹)
1.	Kiran Mohanlal Karnawat	6,600,000	-
2.	Asha Mohanlal Karnavat	1,260,000	-
3.	Seema Kiran Karnawat	900,000	-
4.	Sneha K. Karnawat	2,40,000	-

* Pursuant to Bonus Issue in the ratio of 60:1 vide Board Resolution dated May 03, 2024.

O. AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTER

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Kiran Mohanlal Karnawat	6,710,000	0.09
2.	Asha Mohanlal Karnavat	1,281,000	0.16
3.	Seema Kiran Karnawat	915,000	0.16
4.	Sneha Kiran Karnawat	243,997	0.16

P. DETAILS OF PRE-ISSUE PLACEMENT

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

Q. ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Except for the details mentioned below, we have not issued Equity Shares for consideration other than cash in the preceding one year.

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Name of Allottees	No. of Shares Allotted
	90,00,000	10	-		Kiran Mohanlal Karnawat	6,600,000

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Name of Allottees	No. of Shares Allotted
May 03, 2024				Capitalization of reserves	Asha Mohanlal Karnawat	1,260,000
					Seema Kiran Karnawat	900,000
					Sneha Kiran Karnawat	240,000

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

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of this Draft Red Herring Prospectus.

S. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Pursuant to Shareholders' resolution April 25, 2024 Our Company has undertaken a consolidation of the 15,000 Equity Shares of Nominal value of ₹ 100 each was sub-divided into 1,50,000 Equity Shares of face value of ₹10/- each in last one year.

SECTION III- RISK FACTORS

An investment in Equity Shares involves a high degree of risk. prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 139, 97 and 173 respectively 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.

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” beginning on page 24 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 173 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Audited Financial Statements, as restated” prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP).

INTERNAL RISK FACTORS

- 1. We derive a significant portion of our revenue from the sale of our key products i.e. Ion Exchange Resins & Water treatment chemicals. Any decline in the sales of our key product could have an adverse effect on our business, results of operations and financial condition***

We generate a significant portion of our revenue from our key products i.e. Ion Exchange Resins & Water treatment chemicals which contributed to 69.37% of our total revenue in Fiscal 2024 amounting to ₹ 1,138.07 lakhs, 71.54% of our total revenue in Fiscal 2023 amounting to ₹ 1,360.70 lakhs and 69.22% of our total revenue in Fiscal 2022 amounting to ₹ 1,105.90 lakhs . Any decline in the sales of these chemicals on account of any reason including increased competition, pricing pressures or fluctuations in the demand for or supply of such products may adversely affect our business, results of operations and financial condition. We cannot assure you that we will be able to maintain the same levels of sales for these product in the future. Any inability on our end to anticipate and adapt to technological changes or evolving consumer preferences and/or any decrease in the demand for our key product may adversely impact our business prospects and financial performance.

The following table sets forth information on our product mix in terms of revenue contribution in the periods indicated:

Product wise revenue	Fiscal 2024	% revenue mix FY24	Fiscal 2023	% revenue mix FY23	Fiscal 2022	% revenue mix FY22
Ion Exchange Resin & Water Treatment Chemical	1,138.07	69.37%	1,360.70	71.54%	1,105.90	69.22%
Sugar Process Chemical	224.74	13.70%	283.15	14.89%	256.13	16.03%
Others	277.75	16.93%	258.19	13.57%	235.73	14.75%
Total Revenue from Operations	1,640.56	100.00%	1,902.04	100.00%	1,597.76	100.00%

2. *Substantial portion of our revenues has been dependent upon few customers, with which we do not have any firm commitments. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.*

The substantial portion of our revenues has been dependent upon few customers. For instance, our top five customers for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 accounted for 43.02%, 56.18% and 46.11% of our revenue from operations for the respective year/period. Our reliance on a limited number of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, a failure to negotiate favorable terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company.

The contribution of our top five customers in our sales as a percentage of the revenue from operations during Fiscal 2024 are disclosed hereunder.

S. No.	Customer	% contribution in the revenue from operations for Fiscal 2024
1	Customer 1	17.71%
2	Customer 2	11.01%
3	Customer 3	6.62%
4	Customer 4	4.23%
5	Customer 5	3.45%
Total		43.02%

In addition, we have not entered into long term agreements with our customers and the success of our business is accordingly significantly dependent on maintaining good relationship with them. The loss of one or more of these significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customers' supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers.

We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Further, the sales volume may vary due to our customers' attempts to manage their inventory, market demand, product and supply pricing trends, change in customer preferences etc., which may result in decrease in demand or lack of commercial success of our products, which could reduce our sales and adversely affect our business, cash flows, results of operations and financial condition.

In addition, we are exposed to payment delays and/or defaults by our major customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfill their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be adversely affected.

3. ***We significantly depend upon few of the raw material suppliers for manufacturing of water & waste treatment chemicals. Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations.***

We require substantial amounts of raw materials such as styrene, soda ash, ethylene dichloride, benzyl peroxide, salt, lime, HEDP, divinyl benzene, caustic lye, HCl, acrylic acid, ammonium bifluoride, Rodine, N.P. 95 PEG, and Liquid Doss OT, which are subject to significant price volatility. The amount spent on procuring raw materials from our top ten suppliers accounted for 70.95% of our total purchases in Fiscal 2024. Our cost of raw materials consumed for Fiscal 2024 was ₹939.57 lakhs, representing 57.27% of our revenue from operations. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices.

We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers across many countries. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, the outbreak of infectious diseases such as COVID-19, tariffs and currency exchange rates and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. Any delay in the supply or delivery of raw materials to us by our suppliers may turn delay our process of manufacture and delivery of products to our customers and this may have an adverse effect on our business, cash flows and results of operations. Additionally, our inability to predict market conditions may result in us placing supply orders for inadequate quantities of such raw materials. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them and on commercially acceptable terms.

4. ***Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.***

We generate major domestic sales through our customers situated at Maharashtra, Gujrat, Karnataka and Telengana. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region, which may adversely affect our business prospects, financial conditions and results of operations.

(Rs. in lakhs)

State	2023-24	% of Revenue from operations	2022-23	% of Revenue from operations	2021-22	% of Revenue from operations
Maharashtra	1,102.70	67.22%	1,261.84	66.34%	1,003.77	62.82%
Gujarat	211.40	12.89%	304.72	16.02%	342.02	21.41%
Karnataka	125.60	7.66%	213.75	11.24%	143.03	8.95%
Telengana	82.07	5.00%	33.31	1.75%	27.73	1.74%
Others	118.80	7.24%	88.43	4.65%	81.22	5.08%
Total Revenue from Operations	1,640.56	100.00%	1,902.04	100.00%	1,597.76	100.00%

Others include Tamil Nadu, Andhra Pradesh, Punjab, New Delhi, Kerala, Uttarakhand, Chhattisgarh, Odisha, Chandigarh, West Bengal, Madhya Pradesh, Uttar Pradesh, Assam and Goa

The manufacturing operations of the Company are carried in the state of Maharashtra at Pune. Due to the geographical concentration of our manufacturing operations in Maharashtra, our operations are susceptible to local, regional and environmental factors, such as social and civil unrest, regional conflicts, civil disturbances, economic and weather conditions, natural disasters, demographic and population changes, and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials, loss of key managerial personnel, and/or otherwise adversely affect our business, financial condition and results of operations.

Further, as we enter into new markets and geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence, and are more familiar with local business practices and have stronger relationships with local customers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

5. ***There have been certain instances of non-compliances/ discrepancies, including with respect to certain secretarial/regulatory filings for corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties for any such non-compliance/ discrepancies and our business, financial position and reputation may be adversely affected.***

Our company has previously failed to comply with certain statutory provisions of the Companies Act, 2013, as detailed in this risk factor. Specifically, the appointment of Seema Kiran Karnawat was not regularized from Additional Director to Director during the financial year 2018. Additionally, in the financial year 2020-21, the company erroneously filed e-form MGT-7A under the category of small companies, despite not meeting the prescribed criteria for that classification.

Furthermore, cash flow statements have not been submitted by the company for the period spanning from the financial year 2014 to 2021. Several discrepancies have been identified in our corporate records, including the absence of Form 5 for the increase in authorized share capital from ₹10,00,000 to ₹15,00,000 prior to March 31, 1995; Form 2 for the allotment of 3,800 equity shares for the financial year ending March 31, 2001; and documentation regarding changes to the registered office pin code following the company's incorporation, annual returns for the financial years 1993-94, 1994-95, and 1999-2004 are also missing. Additionally, some documents are missing from the company records. Accordingly, we have relied on the other corporate records maintained by the Company such as statutory registers and other related documents to ascertain the information for the missing corporate records.

6. ***The Admin office from we carry out our business activities is owned by our Promoter Group individual Sanjay Mohanlal Karnavat, and NOC has been obtained by us. In case of dispute in relation to use of the said premise, our business and results of operations can be adversely affected.***

Our Admin Office is situated at 1232, Bhawani Peth, Palkhi Chowk, Next to Canara Bank, Pune, Maharashtra, 411042 from where we carry out our business activities. This office space has been obtained on NOC from our Promoter Group individual, Sanjay Mohanlal Karnavat vide a NOC agreement dated September 26, 2024. In the event of dispute in relation to use of said premises, we may be required to vacate the said premises which may cause disruption in our inventory management, corporate affairs and business and impede our effective operations which could lead temporarily impact our business operations until we get suitable alternative premises. For details on pertaining to our premises, please refer to the section titled “***Our Business-Properties***” beginning on page 97 of this Draft Red Herring Prospectus. In the event that the NOC agreement is terminated or in case of any dispute, we may suffer a disruption in our administration work which could materially and adversely affect our business, financial condition and results of operations.

7. ***We are subject to strict quality requirements and are consequently required to incur significant expenses to maintain our product quality. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.***

We are primarily engaged in the business of manufacturing of water & waste water treatment chemicals. Given the nature of our products and the sector in which we operate, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers regarding the alloy composition may lead to cancellation of the orders placed by our customers. Further, any failure to make timely deliveries of products in the desired quantity as per our customers' requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. In addition, our customers may demand, among others, price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, cash flows, results of operations and financial condition.

8. ***Restated financial statements has been verified and certified by Peer Reviewed Chartered Accountant who is not the Statutory Auditor of our company***

Restated Financial Statements of our company for the financial year ended March 31 2024, 2023 and 2022 has been certified by S.R. Goyal & Co., Peer Reviewed Chartered Accountant who is not the Statutory Auditor of our company. The Statutory Auditor, S.M Kothari & Co. does not have a valid Peer Review Certificate at the time of filing of Draft Prospectus. The company is currently evaluating the statutory auditor who should have a valid peer review certificate.

9. ***Our Company has not yet placed orders for machineries and equipment required by us for expansion of our existing manufacturing facility. Any delay in placing orders or procurement of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.***

The object of the Issue for which the funds are being raised in the issue includes acquisition of machineries and equipment for expansion of our existing manufacturing facility. Our Company has identified the machineries to be acquired and has received the quotations from the suppliers, but we have not placed final orders for the machineries and equipment aggregating to ₹ 989.77lakhs which are proposed to be acquired for our expansion plan by utilization of Issue Proceeds. Our Company is further subject to risks on account of inflation in the price of the plant and machinery. Since the part funding for the plant and machinery is from the IPO proceeds, any delay in access to IPO proceeds would eventually delay the process of placing the orders. The purchase of machineries and equipment's would require us to consider factors including but not limited to pricing, delivery schedule and aftersales maintenance. There may be a possibility of delay at the supplier's end in providing timely delivery of these machineries and equipment, which in turn may delay the implementation of our expansion plan. Further, the quotations relied upon by us in arriving at the total cost of machineries and equipment are valid for a specific period of time and may lapse after the expiry of the specific period. Consequent upon which, there could be a possible escalation in the cost of machineries and equipment's proposed to be acquired by us at the actual time of purchase, resulting in increase in the project cost, which may result in cost overruns, and may affect our profitability. For further details read section "Objects of the Offer" beginning on page 67 of the Draft Red Herring Prospectus.

10. ***There are outstanding legal proceedings involving our Company, our Directors and our Promoters. Any adverse decisions could impact our cashflows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.***

There are outstanding legal proceedings involving our Company, our Directors and our Promoters. For details, see "Outstanding Litigation and Material Developments" beginning on page 182 of this Draft Red Herring Prospectus.

Litigations involving the Company: Nil

Litigations involving our Promoter & Directors:

(₹ in lakhs)		
Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal proceedings against the Promoter & Director	1	5
Criminal proceedings filed by the Promoter & Director	1	5
Other pending material litigation against Promoter & Director	-	-
Tax proceedings:		
Direct Tax	1	0.36
Indirect Tax	-	-
Other pending material litigation filed by Promoter & Director	-	-
Total	3	10.36

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus. For further details, please refer to the chapter titled "Outstanding Litigations and Material Developments" on page 182 of this Draft Red Herring Prospectus.

11. ***Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

As of March 31, 2024, we own and operate one manufacturing facility at Pune, Maharashtra with an aggregate installed production capacity of 1,560 Metric tonnes. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged

disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

In Fiscals 2024, 2023 and 2022, our overall capacity utilization for manufacturing water & waste water treatment chemicals were 98.40%, 99.35% and 89.74% respectively. For further information, see “*Our Business - Capacity and Capacity Utilization*” on page 97 of this Draft Red Herring Prospectus. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

12. *We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.*

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Except as described below and as mentioned in the chapter titled “*Government and Other Approvals*”, we believe that we have obtained requisite permits and licenses which are adequate to run our business, however we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. We are yet to apply for Registration under Shops & Establishment Act for are Admin Office situated at 1232, Bhawani Peth, Palkhi Chowk, Next to Canara Bank, Pune, 411042

For details regarding pending approvals, please refer to section titled “*Government and Other Approvals*” beginning on page 187 of the Draft Red Herring Prospectus. There can be no assurance that the relevant authorities will issue or renew these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, the proposed capacity expansion plan may extend and any such delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

The approvals required by our Company are subject to numerous conditions and there can be no assurance 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 a disruption in our operations, any of which could adversely affect our business.

13. *Our continued operations are critical to our business and are subject to operating risks such as breakdown or failure of machinery, disruption to power sources or any temporary shutdown of our manufacturing facilities, in the event of which, our business, results of operations, financial condition and cash flows can be adversely affected*

Our manufacturing facility is subject to operating risks, such as the breakdown or failure of machinery, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted and timely supply of our products is critical to our business. We also require substantial electricity for our manufacturing facilities which is sourced from state electricity boards. Our customer relationships, business and financial results may be materially adversely affected by any disruption of manufacturing operations, including as a result of any of the factors mentioned above.

14. *We are heavily dependent on our Promoter and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.*

Our success heavily depends upon the continued services of our Promoter & Managing Director Kiran Mohanlal Karnawat. We depend significantly on them for executing our day to day activities. The loss of any of our Promoter or Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoter and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to

execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “*Our Management*” on page 119 of this Draft Red Herring Prospectus.

15. *We are subject to competition from both organized and unorganized players in the market, which may significantly affect the fixation and realization of the price for our product, which may adversely affect our business operation and financial condition.*

The market for our products is competitive on account of existence of both the organized and unorganized players. Competition occurs generally on the key attributes such as quality of products, sales network, pricing and timely delivery. Some of our competitors have longer industry experience and greater financial, technical and other resources, which may enable them to adopt faster in changing market scenario and remain competitive. Moreover, the unorganized sector can offer their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

We operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all of our business areas. Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

16. *We have 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 Company’s financial condition and results of operations.*

Our Company has entered into various transactions with our directors, promoters, promoter group and group entities. These transactions, inter-alia includes sales, remuneration, loans and advances etc. For details, please refer to “*Annexure W - Related Party Transactions*” under Section titled “*Financial Information of the Company*” and Chapter titled “*Capital Structure*” beginning on page 167 and 55 respectively of this Draft Red Herring Prospectus.

Our Company has entered into such transactions due to easy proximity and quick execution in accordance with Companies Act 2013 and other applicable laws. Although all related party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

17. *Our Company’s logo is not registered as on Draft Red Herring Prospectus. We may be unable to protect our intellectual property against third party infringement or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on our business, result of operations, and financial conditions.*

We have not yet registered the trademark that we are using for the business. We are yet to make an application under the

Trademarks Act of 1999 to register our logo. , which is pending. However, we have registered the brand name of “ASHAION”.

Our logo is significant to our business and operations. The use of our logo by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations. Obtaining, protecting and defending intellectual property rights can be time consuming and expensive, and may require us to incur substantial costs, including the diversion of the time and resources of management and technical personnel.

Further, while we endeavor to ensure that we comply with the intellectual property rights of others, there can be no assurance that we will not face any intellectual property infringement claims brought by third parties that may require us to introduce changes to our operations. Any claims of infringement, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. We could be required to pay third party infringement claims. In such cases, our financial conditions and business operations may be adversely impacted.

18. *Adverse publicity regarding our products could negatively impact us.*

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

19. *Dependence upon transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.*

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation of our finished products to our customers. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with any third party transport service providers and engage them on a needs basis. Additionally, availability of transportation solutions in the markets we operate in is typically fragmented. The cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

20. *Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity.*

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand/ Potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the FY 2023-24, 2022-23 and 2021-22 our inventories were ₹ 105.22 lakhs, ₹ 112.05 lakhs and ₹ 81.27 lakhs.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the FY 2023-24, 2022-23 and FY 2021-22 our trade receivables were ₹ 380.86 lakhs, ₹ 345.65 lakhs and ₹ 320.38 lakhs respectively. We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations. Such situation may require an additional and, consequently, higher finance cost which will adversely impact our profitability.

21. *Our historical performance is not indicative of our future growth or financial results and we may not be able to sustain our historical growth rates*

Our business has experienced fluctuations in revenue from operations in prior periods. Our revenue from operations has increased from Rs. 1,597.76 lakhs in FY 2021-22 to Rs. 1,972.04 Lakhs in FY 2022-23 and further to decrease to Rs. 1640.56 lakhs in FY 2023-24 and our Profit after tax has increased from Rs. 177.60 lakhs in FY 2021-22 to Rs. 214.34 Lakhs and Rs. 372.95 lakhs in FY 2022-23 and 2023-24 respectively. We cannot assure you that we will be able to sustain the levels of profit growth that we have had in the past.

22. *Delays or defaults in client payments could affect our operations.*

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

23. *Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.*

Our operations are subject to risks 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. Our significant insurance policies consist of, among others, New India Bharat Sookshma Udyam Suraksha, Group Medicare Policy and Vehicle Insurance Policy. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks such as Workmen Insurance Policy, product liability insurance and Keyman Insurance Policy. Failure to effectively cover ourselves against the associated risks may potentially lead to material losses. There can be no assurance that our insurance policies will be adequate to cover the losses/ damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. If we suffer a significant uninsured loss or if insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

24. *The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency.*

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled “*Objects of the Issue*”. The fund requirement and deployment, as mentioned in the section titled “*Objects of the Issue*” on page 67 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “*Objects of the Issue*” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “*Objects of the Issue*” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

25. *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.*

We propose to utilize the net proceeds for capital expenditure towards civil construction work & installation of additional plant & machinery in the existing premises of factory for expansion and general corporate purpose. For further details of the proposed objects of the Issue, see “*Objects of the Issue*” beginning on page 67 of this Draft Red Herring Prospectus. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

26. *We cannot guarantee the accuracy or completeness of facts and statistics regarding Indian & Global economy and the industry in which we operate as presented in the Draft Red Herring Prospectus, particularly in the Industry Overview chapter, which includes data that has not been independently verified.*

While facts and other statistics in the Draft Red Herring Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various governmental and organizational web site data that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts

and other statistics include the facts and statistics included in the chapter titled **“Industry Overview”** beginning on page 85 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

Further, 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. These data has been taken from the website such as <https://www.ibef.org/> for which we have taken the NOC, where required. 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.

27. *We are exposed to foreign exchange fluctuation risk, particularly in relation to import of raw materials which may adversely affect our business, financial condition and results of operations*

Our manufacturing operations require a number of input materials such as Divinyl Benzene which are sourced from international suppliers. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company’s results of operations. We are not involved in the hedging of foreign currency which would result in losses and gains resulting from translation of foreign currency denomination on our financials.

28. *Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.*

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Though we have not faced any labour problem in the past we cannot assure that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

29. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.*

The proposed fund requirement as detailed in the section titled **“Objects of the Issue”** is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled **“Objects of the Issue”** beginning on page 67 of this Draft Red Herring Prospectus.

30. *Any Penalty or demand raised by statutory authorities in future will affect financial position of the Company.*

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for late payments or non-payments for any previous year and current year will affect the financial position of the Company. For instance, our company in the past had delayed filing of GST Returns due to operational reasons and accordingly paid late fees and penalties on the same. Any demand or penalty raised by the concerned GST authority for such late filing may affect the financial position of the company.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the

appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 138 of the Draft Red Herring Prospectus.

32. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.*

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

33. *Technology failures or Cyber-attacks or other security breaches could have a material adverse effect on our business, results of operation or financial condition*

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, production scheduling, raw material ordering, invoicing, delivery, customer relationship, management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers.

We face cyber threats, threats to the physical security of our facilities and employees, the potential for business disruptions associated with IT failures, natural disasters, or public health crises. We have installed anti-virus software to prevent our systems and infrastructure from being infected and crippled by computer viruses. If we are unable to protect sensitive information, our customers could question the adequacy of our threat mitigation and detection processes and procedures. Due to the evolving nature of these security threats, the impact of any future incident cannot be predicted.

34. *The average cost of acquisition of Equity Shares by our Promoters, will be lower than the issue price of Equity Share.*

Our Promoters average cost of acquisition of Equity Shares in our company may be lower than the Issue Price as may be decided by the company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter “*Capital Structure*” beginning on pages 55 of this Draft Red Herring Prospectus.

35. *None of our Directors possess experience of being on the board of any listed company*

None of our Directors possess experience of being on the board of any listed company and accordingly, may not be adequately well-versed with the activities or industry practices undertaken by the listed company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company. Our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchanges. Our Board is capable of efficiently managing such compliance requirements including by engaging professionals having expertise in managing such compliances.

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

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

37. *We are subject to the risk of failure of, or a material weakness in, our internal control systems*

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result,

we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

38. *Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders*

Our promoters along with the promoter group will continue to hold collectively [●] % of the post issue paid up share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters and promoter group will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

39. *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.

40. *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 75 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.

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

The determination of the Price Band is based on various factors/ assumptions and will be determined by our Company in consultation with the BRLMs. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. The Issue Price will be based on numerous factors, including the factors described in “Basis for Issue Price” on page 94 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company’s performance. As a result of these factors, there can be no assurance that the investors will be able to resell Equity Shares at or above the Issue Price resulting in a loss of all or part of the investment.

42. *We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares*

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advise investors to be extra cautious while dealing in these securities and advise market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

43. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

44. *Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, IFRS and U.S.GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.*

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss and cash flows for the Fiscals 2024, 2023 & 2022 have been prepared in accordance with the Indian GAAP. We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Ind AS, US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited

45. *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 six (6) 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 six 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

46. *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.

47. *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. Unfavorable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

48. *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.

49. *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.

50. *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.

51. *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 187 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 Developments”*** on page 182 of this Draft Red Herring Prospectus. 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.

52. 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 SENSEX, 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.

53. 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.

54. 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.

55. 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

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue ⁽¹⁾⁽²⁾	Upto 32,88,000 Equity Shares aggregating to ₹ [●] Lakhs
Out of which:	
Market Maker Reservation Portion	[●] Equity Shares aggregating to ₹ [●] Lakhs.
Net Issue to the Public	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs.
Out of which*	
QIB Portion ⁽³⁾⁽⁴⁾	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs..
Of which	
Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.
Of which	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	Upto 91,50,000 Equity Shares of face value of ₹10 each.
Equity Shares outstanding after the Issue	[●] Equity Shares of face value ₹10 each.
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 67 of this Draft Red Herring Prospectus.

*Number of shares may need to be adjusted for lot size upon determination of Issue price.

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue of upto 32,88,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 23, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members of the company held on September 24, 2024.
- 3) 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.
- 4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
- 5) Our Company may, in consultation with the Book Running Lead Manager, 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 218 of this Draft Red Herring Prospectus.

SUMMARY OF OUR FINANCIALS

(₹ in lakhs)

PARTICULARS	Annexure No.	As at the Period/Year ended		
		31-Mar-2024	31-Mar-2023	31-Mar-2022
A) EQUITY AND LIABILITIES				
1. Shareholders' Funds				
(a) Share Capital	A	15.00	15.00	15.00
(b) Reserves & Surplus		1400.97	1028.02	813.63
(c) Money received against share warrants		-	-	-
		1415.97	1043.02	828.63
2. Non Current Liabilities				
(a) Long Term Borrowings	B, B(A), B(B)	-	-	-
(b) Deferred Tax Liabilities (Net)	C	12.91	12.68	12.60
(c) Long Term Provisions	D	12.56	11.92	9.46
		25.47	24.60	22.06
3. Current Liabilities				
(a) Short Term Borrowings	B, B(A), B(B)	-	-	5.84
(b) Trade Payables	E	142.36	143.82	307.20
(i) total outstanding dues of micro enterprises and small enterprises; and		47.16	6.43	19.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		95.20	137.39	287.95
(c) Other Current Liabilities	F	18.21	21.82	25.04
(d) Short Term Provisions	F	229.63	167.41	137.76
		390.20	333.04	475.83
Total		1831.64	1400.67	1326.53
B) ASSETS				
1. Non Current Assets				
(a) Property, Plant & Equipment and Intangible Assets				
i) Tangible Assets		207.65	207.42	191.28
ii) Intangible Assets				
iii) Capital Work in Progress		161.98	-	-
		369.63	207.42	191.28
(b) Non-Current Investment	H	472.53	443.19	497.44
(c) Deferred Tax Assets (Net)	C	-	-	-
(d) Long Term Loans and Advances	H	117.57	63.08	86.09
(e) Other Non Current Assets	H	1.61	0.61	0.30
		591.71	506.89	583.84
2. Current Assets				
(a) Current Investments				
(b) Inventories	I	105.22	112.05	81.27
(c) Trade Receivables	J	380.86	345.65	320.38
(d) Cash and Cash equivalents	K	179.08	137.51	65.38
(e) Short-Term Loans and Advances	L	53.81	3.07	4.29
(f) Other Current Assets	M	151.34	88.08	80.10
		870.31	686.36	551.42
Total		1831.64	1400.67	1326.53

ANNEXURE- II
RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

PARTICULARS		Annexure No.	For the Period/Year ended on		
			31-Mar-2024	31-Mar-2023	31-Mar-2022
1	Revenue From Operation	N	1640.56	1902.04	1597.76
2	Other Income	O	59.73	34.22	31.45
3	Total Income (1+2)		1700.29	1936.27	1629.21
4	Expenditure				
(a)	Cost of Material Consumed	P	939.57	1192.79	991.63
(b)	Purchases of Stock in Trade	P	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	Q	(23.70)	(2.50)	(18.55)
(d)	Employee Benefit Expenses	R	166.89	159.41	159.16
(e)	Finance Cost	S	1.66	2.64	2.58
(f)	Depreciation and Amortisation Expenses	T	19.83	17.59	16.70
(g)	Other Expenses	U	94.31	279.74	236.17
5	Total Expenditure 4(a) to 4(d)		1198.56	1649.66	1387.68
6	Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)		501.73	286.60	241.53
7	Exceptional item		-	-	-
8	Profit/(Loss) Before Tax (6-7)		501.73	286.60	241.53
9	Tax Expense:				
(a)	Tax Expense for Current Year		128.54	72.18	62.55
(b)	Deferred Tax		0.23	0.08	1.38
	Net Current Tax Expenses		128.78	72.26	63.93
10	Profit/(Loss) for the Year (8-9)		372.95	214.34	177.60
11	Earnings Per Equity Share (EPES)				
	Basic EPS (in ₹)		4.08	2.34	1.94
	Diluted EPS (in ₹)		4.08	2.34	1.94

ANNEXURE- III
RESTATED STANDALONE CASH FLOW STATEMENT

(₹ in lakhs)

PARTICULARS		For the Period/Year ended on		
		31-03-2024	31-03-2023	31-03-2022
A) Cash Flow From Operating Activities :				
Net Profit before tax		501.73	286.60	241.53
Adjustment for :				
Depreciation		19.83	17.59	16.70
Interest Paid		0.01	0.21	0.73
Discount received		0.00	(1.03)	(0.46)
Provision of Gratuity		0.79	2.81	11.08
Interest Income		(53.07)	(32.27)	(30.84)
Adjustment with the Retained earnings				
Operating profit before working capital changes		469.28	273.92	238.74
Changes in Working Capital				
(Increase)/Decrease in Inventory		6.83	(30.78)	(46.42)
(Increase)/Decrease in Trade Receivables		(35.21)	(25.27)	(44.85)
(Increase)/Decrease in Short Term Loans & Advances and Provisions		(50.74)	1.22	(0.99)
(Increase)/Decrease in Other Current Assets		(63.26)	(7.98)	(32.18)
Increase/(Decrease) in Trade Payables		(1.46)	(162.35)	92.03
Increase/(Decrease) in Other Current Liabilities		(3.61)	(3.22)	15.36
Increase/(Decrease) in Short Term Provisions		5.72	19.66	37.67
Cash generated from operations		327.54	65.20	259.36
Less:- Income Taxes paid		(72.18)	(62.50)	(70.41)
Net cash flow from operating activities	A	255.36	2.70	188.95
B) Cash Flow From Investing Activities :				
Increment in Fixed Assets including CWIP		(182.03)	(33.73)	(21.02)
Proceeds from Sale of Fixed Assets		-	-	-
Investment in MutualFund		(0.06)	-	-
Increase/(Decrease) in Long Term Loans and Advances		(54.49)	23.01	10.95
Increase/(Decrease) in Other Non Current Assets		(1.00)	(0.31)	0.00
Increase/(Decrease) in Non Current Investment		(29.27)	54.25	(172.73)
Interest Income		53.07	32.27	30.84
Net cash flow from investing activities	B	(213.78)	75.49	(151.95)
C) Cash Flow From Financing Activities :				
Proceeds from Issue of Share Capital		-	-	0.00
Proceeds from Securities Premium		-	-	0.00
Repayment of Short Term Borrowings		0.00	(5.84)	0.00
Interim Dividend and Dividend Distribution Tax Paid		-	-	-
Repayments of Long Term Borrowings		0.00	0.00	(6.53)
Interest Paid		(0.01)	(0.21)	(0.73)
Net cash flow from financing activities	C	(0.01)	(6.05)	(7.26)
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C)	41.57	72.13	29.74
Cash equivalents at the beginning of the year		137.51	65.38	35.64
Cash equivalents at the end of the year		179.08	137.51	65.38

Notes:

Component of Cash and Cash equivalents	31-03-2024	31-03-2023	31-03-2022
Cash on hand	1.30	0.71	0.51
Balance With banks	177.78	136.81	64.86
	179.08	137.51	65.38

GENERAL INFORMATION

Brief Summary:

Our Company was originally incorporated as a private limited Company under the name of “Asha Resins Private Limited” on August 20, 1993 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra bearing registration number as 073569. Thereafter, our Company was converted from private limited to public limited, pursuant to a special resolution passed by the shareholders of our Company on July 03, 2024 and the name of the Company was changed from “Asha Resins Private Limited” to “Asha Resins Limited” dated September 18, 2024 vide fresh certificate of incorporation dated September 23, 2024, issued by the Registrar of Companies, Pune, Maharashtra. The Corporate identification number of our Company is U99999MH1993PLC073569.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 116 of this Draft Red Herring Prospectus.

Registered Office	Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105 Tel. No.: +91- 9404242201 Email: cs@asharesins.com Website: www.asharesins.com CIN: U99999MH1993PLC073569 Registration Number: 073569
Address of the RoC	Registrar of Companies, Pune PCNTDA Green Building, Block A, 1st & 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune-411044, Maharashtra.

Board of Directors:

The Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus consists of:

Name of Director	Designation	Address	DIN
Kiran Mohanlal Karnawat	Chairman & Managing Director	S. No 587/A B-901 1 Hyde Park CHS, Near Gangadham Chowk, Bibwewadi, Pune, Maharashtra-411 037	01820067
Seema Kiran Karnawat	Whole-Time Director	S. No 587/A B-901 1 Hyde Park, Near Gangadham Chowk, Bibwewadi, Pune, Maharashtra-411 037	08121162
Sneha Kiran Karnawat	Non- Executive Director	B-901 1 Hyde Park SNO, 587/A/B, Bibwewadi, Market Yard, Pune Maharashtra-411 037.	10766761
Keval Rasiklal Mehta	Independent Director	1101M, Urban Balance, D.P Road, 17, 1/2 Nali, Hadapsar, Behind Hotel Siddeshwar, Pune, Maharashtra- 411 028	08739731
Jitendra Uttamchand Lodha	Independent Director	692/1/6, Swapnil Bungalow, Satara Road, Near Kalyani Society, Bibwewadi, Pune, Maharashtra- 411 037	08588060

For further details in relation to our directors, please refer to chapter titled “*Our Management*” on page 119 of this Draft Red Herring Prospectus.

Chief Financial Officer	Company Secretary and Compliance Officer
Seema Kiran Karnawat Asha Resins Limited Address: Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105 Tel. No.: +91- 9823451239 Email: seemak@asharesins.com	Harshada Rohan Petkar Asha Resins Limited Address: Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105 Tel. No.: +91- 9404242201 Email: cs@asharesins.com

Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the LM 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 relating to the 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. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

Book Running Lead Manager of the Issue	Legal Advisor to the Issue
Hem Securities Limited Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.: +91-22-4906 0000 Fax No.: +91-22-22625991 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Neelkanth Agarwal SEBI Reg. No.: INM000010981	J Mukherjee & Associates Address: Room 6, 2nd Floor, Saraf House, 4/1, Red Cross Place, Kolkata- 700001 Tel No.: +91 9830-640366 Email ID: jmukherjeeandassociates@gmail.com Contact Person: Jayabrata Mukherjee
Registrar to the Issue	Statutory Auditor
Cameo Corporate Services Limited Address: No.1 Club House Road Chennai-600002 Tamil Nadu, India Telephone: +91-44-40020700 Email: ipo@cameoindia.com Investor Grievance Email: investor@cameoindia.com Website: www.cameoindia.com Contact Person: K. Sreepriya, Executive Vice President & Company Secretary SEBI Registration Number: INR000003753	M/s: S.M. Kothari & Co Chartered Accountants Address: 503, Vidyadhar Heights, 243, Narayan Peth, Laxmi Road, Pune- 411030 Tel No.: +91- 033-24456788 Email: smkothari@gmail.com Firm Registration No.: 105328W Contact Person: S.M Kothari Membership No.: 030627
Peer Review Auditor	Bankers to the Issue/ Sponsor Bank*
M/s S.R. Goyal & Co. Chartered Accountants Address: SRG House, Plot No. 2, M.I. Road, Opp. Ganpati Plaza, Jaipur – 302 001 Tel No.: +91- 141-2362487 Email: ajay@srgoyal.com Firm Registration No.: 001537C Contact Person: Ajay Kumar Atolia Membership No.: 077201	[●]
Syndicate Members*	[●]

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

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

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 e-mail 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 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) 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.

Expert Opinion

Except the report of the Auditor on statement of possible tax benefits and report on restated financial statements prepared for the financial year ended March 31, 2024, 2023 and 2022 as included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinion.

Inter-se Allocation of Responsibilities

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

Appraisal and 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.

Credit Rating

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

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Issue.

Debenture Trustees

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

Filing of Offer Documents with the Designated Stock Exchange/SEBI/ROC

The Red Herring Prospectus is being filed with NSE, 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 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 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and 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 and the Selling Shareholders 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 Marathi 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 and the Selling Shareholders, 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:-

- Our Company
- The Book Running Lead Manager in this case being Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- 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, in consultation with the BRLM 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 and the Selling Shareholders in consultation with the BRLM 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 and the Selling Shareholders 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 218 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 218 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 BRLM, 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 218 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 ⁽¹⁾	[●]
Bid/Issue Closing Date ⁽²⁾	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[●]

⁽¹⁾ 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.

⁽²⁾ Our Company in consultation with the BRLM, may decide to close 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 3 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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 BRLM, 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 BRLM 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 BRLM, 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 any time 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 BRLM, 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 registration of Red Herring Prospectus/ Prospectus with RoC.

Underwriting

The Company and the Lead Manager to the Issue hereby confirm that the Issue will be [●] Underwritten by the underwriter, [●].

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	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% 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 and the BRLM has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfill the obligations of Market Making for this issue:

Name	[●]
Correspondence Address	[●]
Tel No.	[●]
E-mail	[●]
Website	[●]
Contact Person	[●]
SEBI Registration No.	[●]
SEBI Registration No.	[●]

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

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being 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 NSE Emerge (SME 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 SME platform of NSE (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the SME 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 LM 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 LM 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:** SME portal of NSE will have all margins, which are applicable on 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:** NSE Emerge Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case 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 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.
- 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 SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME 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

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

CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital 1,50,00,000 Equity Shares having Face Value of ₹ 10/- each	1500.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 91,50,000 Equity Shares having Face Value of ₹10/- each	915.00	-
C	Present Issue in terms of this Draft Red Herring Prospectus* Upto 32,88,000 Equity Shares having Face Value of ₹ 10/-each at a price of ₹ [●] per share	[●]	[●]
	Which comprises of:		
	Reservation for Market Maker Portion [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E	Net Issue to Public Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	Of which:		
	At least [●] Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least [●] Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	[●]	[●]
F	Issued, Subscribed and Paid-up Equity Share Capital after the Issue [●] Equity Shares of face value of ₹10/- each		[●]
G	Securities Premium Account		
	Before the Issue (as on date of this Draft Red Herring Prospectus)		Nil
	After the Issue		[●]

*The Present Issue of upto 32,88,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 23, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on September 24, 2024

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 of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

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

Sr. No.	Particulars	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital (₹ in lakhs)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	10,000	100/-	10.00	On Incorporation	N.A.
2.	Increase in Authorized Share Capital from ₹10.00 Lakh to ₹15.00 Lakhs*	15,000	100/-	15.00	Not Traceable*	EGM

Pursuant to Shareholders' resolution April 25, 2024, the nominal value of Equity Shares of our Company was subdivided from ₹100/- per Equity Share to ₹10/- per Equity Share. Therefore, 15000 Equity Shares of our Company of Nominal value of ₹ 100 each was sub-divided into 1,50,000 Equity Shares of face value of ₹10/- each.

3.	Increase in Authorized Share Capital from ₹15.00 Lakhs to ₹1,500.00 Lakhs	1,50,00,000	10/-	1,500.00	April 30, 2024	EGM
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**The form filed with the RoC for the said allotment is not available with either the RoC or the Company. These details have been inserted here based on information from other records available with the company*

2. Equity Share Capital History of our Company:

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable) (₹)	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares
Upon Incorporation	4	100/-	Nil	Cash	Subscription to MOA ⁽ⁱ⁾	4.00
March 29, 1994	4,496*	100/-	100/-	Cash	Further Issue ⁽ⁱⁱ⁾	4,500
March 29, 1995	6,700*	100/-	100/-	Cash	Further Issue ⁽ⁱⁱⁱ⁾	11,200
March 31, 2001	3,800**	100/-	100/-	Cash	Further Issue ^(iv)	15,000
<i>Pursuant to Shareholders' resolution April 25, 2024, the nominal value of Equity Shares of our Company was subdivided from ₹100/- per Equity Share to ₹10/- per Equity Share. Therefore, 15000 Equity Shares of our Company of Nominal value of ₹ 100 each was sub-divided into 1,50,000 Equity Shares of face value of ₹10/- each</i>						
May 03, 2024	90,00,000	10/-	Nil	Nil	Bonus Issue in the ratio 60:1 ^(v)	91,50,000

** The form filed with the RoC for the said share allotments have not mentioned the amount paid on the allotments. These details have been inserted here based on information from the statutory registers and other records available with the company.*

***The form filed with the RoC for the said allotment is not available with either the RoC or the Company. These details have been inserted here based on information from the statutory registers and other records available with the company.*

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

(i) *Initial Subscribers to the Memorandum of Association subscribed 4 Equity Shares of Face Value of ₹ 100/- each, details of which are given below:*

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Kiran Mohanlal Karnawat	1
2.	Asha Mohanlal Karnavat	1
3.	Vikas Mohanlal Karnavat	1
4.	Sunita Sanjay Karnavat	1
Total		4

(ii) *Further issue of 4,496 Equity Shares of Face Value of ₹ 100/- each as per details given below.*

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Kiran Mohanlal Karnawat	3,574
2.	Asha Mohanlal Karnavat	144
3.	Vikas Mohanlal Karnavat	479
4.	Sunita Sanjay Karnavat	299
Total		4,496

(iii) *Further issue of 6,700 Equity Shares of Face Value of ₹ 100/- each as per details given below.*

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Kiran Mohanlal Karnawat	1,225
2.	Asha Mohanlal Karnavat	1,505
3.	Vikas Mohanlal Karnavat	1,120
4.	Sunita Sanjay Karnavat	950
5.	Amolakchand Kapurchand Khater	250
6.	Narayandas K. Khater	250
7.	Pushpa Pagariya	250
8.	Saralabai A Mawadikar	1,000
9.	Kavita Vikas Karnavat	150
Total		6,700

(iv) Further issue of 3,800 Equity Shares of Face Value of ₹ 100/- each as per details given below.

Sr. No.	Name of Allottees	Number of Shares Allotted
1.	Kiran Mohanlal Karnawat	1,550
2.	Asha Mohanlal Karnavat	450
3.	Vikas Mohanlal Karnavat	500
4.	Sunita Sanjay Karnavat	1,300
Total		3,800

(v) Bonus issue of 90,00,000 Equity Shares of Face Value of ₹ 10/- each in the ratio of 60:1 i.e. four (Sixty) Bonus Equity Share for every One (1) Equity Shares held by shareholders. (refer point no. 4 below for allottees list):

- b) As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.
3. Except as mentioned in point number 4 below, 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:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
May, 03 2024	90,00,000	10/-	Nil	Bonus Issue in the ratio of 60:1	Capitalization of Reserves & Surplus	Kiran Mohanlal Karnawat	6,600,000
						Asha Mohanlal Karnavat	1,260,000
						Seema Kiran Karnawat	900,000
						Sneha Kiran Karnawat	240,000
TOTAL						9,000,000	

5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
7. Except for bonus issue made on May 03, 2024 our Company has not issued Equity shares at price below the Issue price within last one year from the date of the Draft Red Herring Prospectus.
8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
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) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

I - Our Shareholding Pattern:-

Category	Category of shareholder	Nos. of shareholder	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	Share holding as a % of total no. of shares (calculated as per SCR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	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			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of ₹10/- each^	Class	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(A)	Promoters & Promoter Group	5	9,149,998	-	-	9,149,998	100	9,149,998	-	9,149,998	100	-	100	-	-	9,149,998		
(B)	Public	2	2	-	-	2	-	2	-	2	-	-	-	-	-	2		
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Total	7	9,150,000	-	-	9,150,000	100	9,150,000	-	9,150,000	100	-	100.00	-	-	9,150,000		

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.*
- *We have entered into tripartite agreement dated with CDSL August 08, 2024 and August 09, 2024 with NSDL .*
- *Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity.*

10. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-

a) As on the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Kiran Mohanlal Karnawat	67,10,000	73.33%
2.	Asha Mohanlal Karnavat	12,81,000	14.00%
3.	Seema Kiran Karnawat	9,15,000	10.00%
4.	Sneha Kiran Karnawat	2,43,997	2.67%
	Total	91,49,997	100%

b) Ten days prior to the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Kiran Mohanlal Karnawat	67,10,000	73.33%
2.	Asha Mohanlal Karnavat	12,81,000	14.00%
3.	Seema Kiran Karnawat	9,15,000	10.00%
4.	Sneha Kiran Karnawat	2,43,997	2.67%
	Total	91,49,997	100%

c) One Year prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Kiran Mohanlal Karnawat	11,000	73.33%
2.	Asha Mohanlal Karnavat	2,100	14.00%
3.	Seema Kiran Karnawat	1500	10.00%
4.	Amolakchand Kapurchand Khater	250	1.67%
5.	Sneha Kiran Karnawat	150	1.00%
	Total	15,000	100%

*Details of shares held on September 30, 2023 and percentage held has been calculated based on the paid-up capital of our Company as on September 30, 2023.

d) Two Years prior to the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Shares held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital
1.	Kiran Mohanlal Karnawat	11,000	73.33%
2.	Asha Mohanlal Karnavat	2,100	14.00%
3.	Seema Kiran Karnawat	1500	10.00%
4.	Amolakchand K. Khater	250	1.67%
5.	Sneha Kiran Karnawat	150	1.00%
	Total	15,000	100%

*Details of shares held on September 30, 2022 and percentage held has been calculated based on the paid-up capital of our Company as on September 30, 2022.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Capital Build-up in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, Our Promoters Kiran Mohanlal Karnawat, Asha Mohanlal Karnavat, Sneha Kiran Karnawat and Seema Kiran Karnawat hold 91,49,997 Equity Shares of our Company. None of the Equity Shares held by our Promoters is subject to any pledge.

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

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
Kiran Mohanlal Karnawat							
August 20, 1993	1	100	100	Cash	Subscription to MOA	Negligible	[●]
March 29, 1994	3,574	100	100	Cash	Further Issue	0.39	[●]
March 29, 1995	1,225	100	100	Cash	Further Issue	0.13	[●]
March 31, 2001	1,550	100	100	Cash	Further Issue	0.17	[●]
April 06, 2018	4,650	100	-	Nil	Acquisition by way of Gift ¹⁾	0.51	[●]
<i>Pursuant to Shareholders' resolution dated April 25, 2024, the nominal value of Equity Shares of our Company was subdivided from ₹100/- per Equity Shares Share to ₹10/- per Equity Shares Share. Therefore, 11,000 Equity Shares of Kiran Karnawat of Nominal value of ₹ 100 each was sub-divided into 1,10,000 Equity Shares of face value of ₹10/- each and consequently</i>							
May 03, 2024	66,00,000	10	-	Nil	Issue of Bonus Shares in ratio of 60:1	72.13	[●]
Total (A)	67,10,000					73.33	[●]
Asha Mohanlal Karnavat							
August 20, 1993	1	100	100	Cash	Subscription to MOA	Negligible	[●]
March 29, 1994	144	100	100	Cash	Acquisition by way of Allotment	0.02	[●]
March 29, 1995	1,505	100	100	Cash	Acquisition by way of Allotment	0.16	[●]
March 31, 2001	450	100	100	-	Acquisition by way of Allotment	0.05	
<i>Pursuant to Shareholders' resolution dated April 25, 2024, the nominal value of Equity Shares of our Company was subdivided from ₹100/- per Equity Shares Share to ₹10/- per Equity Shares Share. Therefore, 2,100 Equity Shares of Asha Mohanlal Karnavat of Nominal value of ₹ 100 each was sub-divided into 21,000 Equity Shares of face value of ₹10/- each and consequently</i>							
May 03, 2024	12,60,000	10	-	Nil	Issue of Bonus Shares in ratio of 60:1	13.77	[●]
Seema Kiran Karnawat							

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
March 03, 2007	1,000	100	100	Cash	Acquisition ⁽ⁱⁱ⁾ by way of Transfer	0.11	[●]
June 30, 2012	500	100	100	Cash	Acquisition ⁽ⁱⁱⁱ⁾ by way of Transfer	0.05	[●]
<i>Pursuant to Shareholders' resolution dated April 25, 2024, the nominal value of Equity Shares of our Company was subdivided from ₹100/- per Equity Shares Share to ₹10/- per Equity Shares Share. Therefore, 1500 Equity Shares of Seema Kiran Karnawat of Nominal value of ₹ 100 each was sub-divided into 15,000 Equity Shares of face value of ₹10/- each and consequently</i>							
May 03, 2024	9,00,000	10	-	Nil	Issue of Bonus Shares in ratio of 60:1	9.84	[●]
Total (C)	9,15,000	-	-	-	-	10.00	[●]
Sneha Kiran Karnawat							
March 06, 2018	150	100	100	Nil	Acquisition by way of Gift ^(iv)	0.02	[●]
March 20, 2024	250	100	100	Cash	Acquisition by way of Transfer ^(v)	0.03	[●]
<i>Pursuant to Shareholders' resolution dated April 25, 2024, the nominal value of Equity Shares of our Company was subdivided from ₹100/- per Equity Shares Share to ₹10/- per Equity Shares Share. Therefore, 400 Equity Shares of Sneha Kiran Karnawat of Nominal value of ₹ 100 each was sub-divided into 4,000 Equity Shares of face value of ₹10/- each and consequently</i>							
May 03, 2024	2,40,000	10	-	Nil	Issue of Bonus Shares in ratio of 60:1	2.62	[●]
May 05, 2024	(3)	10	10	Cash	Transfer of Shares ^(vi)	Negligible	[●]
Total (D)	2,43,997	-	-	-	-	2.67	[●]
Grand Total	91,49,997					100%	

Note: None of the Shares has been pledged by our Promoters.

(i) Details of Acquisition by Kiran Mohanlal Karnawat of 4,650 Equity Shares by way of gift.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	April 06, 2018	Vikas Mohanlal Karnavat	2,100
2.	April 06, 2018	Sunita Sanjay Karnavat	2,500
Total			4,650

(ii) Details of Acquisition by Seema Kiran Karnawat of 1,000 Equity Shares.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	March 03, 2007	Saralabai A Mawadikar	1,000
Total			1,000

(iii) Details of Acquisition by Seema Kiran Karnawat of 500 Equity Shares.

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	June 30, 2012	Narayandas K Khater	500
Total			500

(iv) *Details of Acquisition by Sneha Kiran Karnawat of 150 Equity Shares.*

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	March 03, 2018	Kavita Vikas Karnavat	150
Total			150

(v) *Details of Acquisition by Sneha Kiran Karnawat of 250 Equity Shares.*

Sr. No.	Date of Transfer	Name of Transferor	No. of Share Transfer
1.	March 20, 2024	Amolakchand K Khater	250
Total			250

(vi) *Details of Transfer of Equity Shares by Sneha Kiran Karnawat..*

Sr. No.	Date of Transfer	Name of Transferee	No. of Share Transfer
1.	May 05, 2024	Veeram Karnawat	1
2.	May 05, 2024	Govind Gokhale	1
3.	May 05, 2024	Umakant Suryawanshi	1
Total			3

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Kiran Mohanlal Karnawat	6,710,000	0.09
2.	Asha Mohanlal Karnavat	1,281,000	0.16
3.	Seema Kiran Karnawat	915,000	0.16
4.	Sneha Kiran Karnawat	243,997	0.16

15. **Shareholding of Promoters & Promoter Group**

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoters and Promoter Group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
Promoters (A)					
1.	Kiran Mohanlal Karnawat	6,710,000	73.33%	6,710,000	[●]
2.	Asha Mohanlal Karnavat	1,281,000	14.00%	1,281,000	[●]
3.	Seema Kiran Karnawat	9,15,000	10.00%	9,15,000	[●]
4.	Sneha Kiran Karnawat	2,43,997	2.66%	2,43,997	[●]
Sub Total (A)		91,49,997	99.99%	91,49,997	[●]
Promoter Group (B)					
5.	Veeram Kiran Karnawat	1	Negligible	1	[●]
Sub Total (B)		1	-	1	[●]
Total (A) + (B)		91,49,998	99.99	91,49,998	[●]

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Allotment/ Transfer	Name of Shareholder	No. of Equity Share	% of Pre issue Capital	Allotment/ Acquire/ Transfer	Category of Allottees (Promoters/ Promoter Group/ Director)
May 03, 2024	Kiran Mohanlal Karnawat	6600000	72.13	Allotment	Promoter
May 03, 2024	Asha Mohanlal Karnavat	1260000	13.77	Allotment	Promoter
May 03, 2024	Seema Kiran Karnawat	900000	9.84	Allotment	Promoter
May 03, 2024	Sneha Kiran Karnawat	240000	2.62	Allotment	Promoter
May 05, 2024	Sneha Kiran Karnawat	1	Negligible	Transfer	Promoter Group
May 05, 2024	Sneha Kiran Karnawat	2	Negligible	Transfer	Public

17. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

18. Details of Promoters' Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("**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 hold 91,49,997 Equity Shares constituting [●]% of the Post-Issue, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters Kiran Mohanlal Karnawat has given written consent to include 24,94,000 Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20.05% 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
Kiran Mohanlal Karnawat						
May 03, 2024	24,94,000	10	Nil	Bonus Issue	[●]	3 years
Total	24,94,000				[●]	

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 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations 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 and Promoter Group, 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.

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
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.

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 share capital constituting 66,56,000 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 Ratio 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, 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's 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, 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, 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, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoters or any person of the Promoter Group or a new promoters 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.
- 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.

21. The BRLM i.e. Hem Securities 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.
22. 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.
23. We have 7 (Seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
24. 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 Initial Public Offer
25. Our Company has not raised any bridge loan against the proceeds of the Issue.
26. 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.
27. 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.
28. An over-subscription to the extent of 1% of the Issue, can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 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.
29. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
30. 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.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
32. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
33. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
34. 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.
35. There are no Equity Shares against which depository receipts have been issued.
36. Other than the Equity Shares, there is no other class of securities issued by our Company.
37. There are no safety net arrangements for this public issue.
38. As per RBI regulations, OCBs are not allowed to participate in this issue.
39. Our Promoters and Promoter Group will not participate in this Issue.
40. This Issue is being made through Book Building Method.
41. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
42. 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.
43. 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 Registrar of companies and the Bid/Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The issue comprises of a fresh Issue of up to 32,88,000 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:

1. Funding of capital expenditure towards civil construction work in the existing premises of factory;
2. Funding of capital expenditure towards installation of additional Plant & Machinery in the existing premises of factory;
3. General Corporate Purpose

(Collectively referred as the “Objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge (SME platform of NSE). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum enables our Company to undertake its existing activities.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (₹ in Lakhs)
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue*	[●]
Net Proceeds	[●]

*To be finalized upon determination of the Issue price and will be updated in the prospectus prior to the filing with the RoC

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

S. No.	Particulars	Amount (₹ in Lakhs)
1.	Funding of capital expenditure towards civil construction work in the existing premises of factory	626.09
2.	Funding of capital expenditure towards installation of additional Plant & Machinery in the existing premises of factory	989.77
3.	General Corporate Purpose*	[●]
	Total	[●]

*To be finalized upon determination of the Issue Price and update in the prospectus prior to the filing with the RoC. The amount utilized for general corporate purpose shall not exceed 25% of the Gross Proceeds.

Means of Finance

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amount (₹ in Lakhs)
Net Issue Proceeds	[●]
Total	[●]

Since, the entire fund requirement is 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 230(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 67.

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 24 of this Draft Red Herring Prospectus.

Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

1. Funding of capital expenditure towards civil construction work in the existing premises of factory

Our Company proposes to utilize Rs. 626.09 lakhs for capital expenditure towards civil construction work in the existing premises at Gat No.227 Hissa No.2 situated at Mauje Dhanore, Taluka Khed, District Pune, Maharashtra, 412105 to expand our operations as per the quotations received from Integrated Project Management Services (IPMS). Details of Civil construction work are as under:-

Set out below is a break-up of the estimated cost:

Sr. No.	Description of Works	Quotation Amount (Rs. in lakhs)*	Quotation details	Validity
1.	Earth work – Excavation and backfilling, laying LDPE sheet layer, providing Hard stone metal filling OR Soling OR Stone Bed layer etc.	48.44	Quotation dated September 09, 2024 from Integrated Project Management Services	Valid till December 10, 2024
2.	Concrete & Formwork	162.99		
3.	Structural Steel & Reinforcement	164.20		
4.	Water Proofing	21.63		
5.	Miscellaneous (Civil works) – Roof Sheeting, wall cladding, sheeting laps, flashing, trims, adhesive, tapes, sealeant	10.39		
6.	Road & Storm Water Drainage	40.99		
7.	Masonry, Plaster and Pointing	85.97		
8.	Flooring, Skirting and Dado	13.37		
9.	Doors, Windows and Ventilators	14.64		
10.	Painting	19.88		
11.	Plumping	38.21		
12.	Ceilings and Partitions	1.38		
13.	Miscellaneous works	3.95		
	Total	626.09		

*Above estimates are exclusive of taxes

2. Funding capital expenditure towards installation of additional Plant & Machinery in the existing premises of factory

Our Company intends to make capital expenditure towards installation of additional plant & machinery. Our Company proposes to use part of net proceeds to the extent of Rs. 989.77 lakhs to meet capital expenditure.

A detailed breakup of estimated cost which are proposed to be funded from the net issue proceeds is set forth below:

Sr. No	Equipment details	Quotation Amount (Rs. in lakhs)*	Quotation details	Validity
1.	Effluent Treatment Plant with MBR – Ro-MEE + Dryer Zero liquid Discharge	531.00	Quotation dated September 06 th , 2024 from Aeon India Corporation Private Limited	Valid till December 05 th 2024
2.	5 KL CEREM II GMP with Insulation & Cladding – Glass Lined Reactor (2 Qty. required * 29.74 lakh per qty.)	59.48	Quotation dated September 09 th , 2024 from GMM Pfaudler	Valid till December 08 th , 2024
3.	4.8kl-SS316-Limpet Coil-SS304 Limpet + Seal + Gear Box Motor (2 Qty. required * 15.87 lakh per qty.	31.74	Quotation dated August 08 th 2024 from Hexamide Agrotech	Valid till November 07, 2024
4.	Ingersoll – Rand’s Premium efficiency oil free rotary Screw Fixed Speed Air Compressor E15iH-A10 Complete with 15KW motor, Air-cooled; Refrigerated Air Dryer and 1m3 Air receiver with drain valve	33.25	Quotation dated September 09 th 2024 from Ingersoll Rand	Valid till October 09 th , 2024
5.	Electric Generating Set – 200KW/250 KVA, Silent Diesel Generating Set with CPCB 4+approved acoustic enclosure comprising of: “Cummins” Model QSB6.7-G23, Radiator cooled, Diesel engine developing 306.9 BHP at 1500 RPM, complete with standard accessories, coupled to “Stamford” Alternator rated at 200kW / 250kVA at 415 volts 3 phase AT0.8 PF. Mounted on channel Iron base Frame complete with Fuel Tank of 395 Litres capacity with Std. Manual Control Panel 1 number 12 V Battery	25.78	Quotation dated from July 23, 2024 from Aaron Technologies	Valid till October 21 st , 2024
6.	Pump (6 Qty. required * 2.83 lakh per Qty.)	16.99	Quotation dated from September 06, 2024 from Aeron Engineering	Valid till December 05 th , 2024
7.	Design, manufacture & supply for FRP cooling towers along with Installation cost	7.25	Quotation dated from September 06, 2024 from Tower Tech Cooling system Private Limited	Valid till December 05 th , 2024
8.	Electric Panels – Transformer, HT works, Low Voltage – LV-MCC/PCC, UPS & battery bank, Lighting & power panels, LV cables, cable Termination, Cable tray conduit. etc.	240.16	Quotation dated from September 07, 2024 from Priyank Elctricals & Consultants	Valid till December 06 th , 2024
9.	PSA Nitrogen Plant includes flow meter, 2 M3 Nitrogen Storage tank with accessories, Ref. Dryer	14.75	Quotation dated from September 06, 2024 from Trimech Engineers Pvt. Ltd.	Valid till December 05 th , 2024

10.	150 kg – FBD Machine	16.52	Quotation dated from July 25, 2024 from KPM Pharma Machineries	Valid till October 23 th , 2024
11.	Glass Condenser	1.67	Quotation dated from September 01, 2024 from Rainbow Scientific Glass Industries	Valid till November 30 th , 2024
12.	Chemical Tank (For acid with Fabrication support) 10000 Ltrs. * 17.50 per ltr *3 qty. 2000 Ltrs * 30 per ltr * 7 qty.	11.151	Quotation dated from September 08 th , 2024 from M/S Tatiya Agencies	Valid till December 07 th , 2024
	Total	989.77		

**Above estimates are inclusive of GST*

Notes:

- a) 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.
- b) All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus.
- c) 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 machinery or vendor or addition/deletion of any machinery) 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's or utilities, as required for manufacturing. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment's 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.
- d) We are not acquiring any second-hand machinery
- e) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the project cost. Further, cost can be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals. All amounts are inclusive of taxes.

3. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating ₹ [●] Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

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 ₹ [●] lakhs, 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/ Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

Issue Expenses

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

Activity	(₹ in Lakh)	As a % of Estimates Issue Expenses	As a % of Issue Size
Book Running Lead Manger Fees	[●]	[●]	[●]
Underwriting Commission	[●]	[●]	[●]
Brokerage and selling commission	[●]	[●]	[●]
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 Statutory Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Commission/processing fee for SCSBs, Sponsor Bank and Banker(s) to the Issue and brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs and Miscellaneous Expenses)	[●]	[●]	[●]
Total	[●]	[●]	[●]

(i) Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

(ii) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows

Portion for Retail Individual Bidders*	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted* (plus applicable taxes)

*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of NSE.

(iii) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders	₹ [●] per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹[●]lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹[●]lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(iv) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	₹ [●] per valid application (plus applicable taxes)
Sponsor Bank - [●]	₹[●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, other agreements and other applicable laws.

*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds ₹ [●] lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

- (v) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]% of the Amount Allotted* (plus applicable taxes)

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

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders*	₹[●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹[●] per valid application (plus applicable taxes)

* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed ₹ 1 lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds ₹ 1 lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of NSE.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, 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 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ in Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 24-25 & F.Y. 25-26
1.	Funding of capital expenditure towards civil construction work in the existing premises of factory	626.09
2.	Funding of capital expenditure towards installation of additional Plant & Machinery in the existing premises of factory	989.77
3.	General Corporate Purpose	[•]
	Total	[•]

Appraisal

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in the DRHP, Red Herring Prospectus and the Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail reviewing the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

Shortfall of Funds

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

Bridge Financing Facilities

As on the date of the Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

As the size of the Issue will not exceed ₹ 10,000 Lakhs, 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 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.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. In accordance with section 27 of the Companies Act, 2013 and other applicable laws, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a Special Resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required

to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

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

BASIS FOR ISSUE PRICE

Investors should read the following summary with the 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 of the Company**” beginning on page 97 and 139 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.

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is ₹ [●] times of the face value.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- a) Diverse range of products;
- b) In-house manufacturing facility with quality control mechanism;
- c) Long standing relationship with our customers; and
- d) Well qualified and Experienced Management team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 97 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 139 of this Draft Red Herring Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):

As per the Restated Consolidated Financial Statements:-

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1.	Financial Year ending March 31, 2022	1.94	1
2.	Financial Year ending March 31, 2023	2.34	2
3.	Financial Year ending March 31, 2024	4.08	3
	Weighted Average	3.14	6

Notes:

- i. The figures disclosed above are based on the Restated Standalone Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with **Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.**
- v. **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**
- vi. **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 Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up:

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for Fiscal 2024	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio*	(P/E) Ratio
Highest & Lowest (Chembond Chemicals Limited)**	19.08
Industry Average	19.08

* For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company of Chembond Chemicals Limited.

** For the purpose of P/E Ratio calculation, we have taken Closing Price of relevant Company as on August 30, 2024.

3. Return on Net worth (RoNW)

Sr. No	F.Y./Period	RONW (%)	Weights
1	F.Y. ending March 31, 2022	21.43	1
2	F.Y. ending March 31, 2023	20.55	2
3	F.Y. ending March 31, 2024	26.34	3
	Weighted Average	23.59	6

Note:

- The figures disclosed above are based on the Restated Standalone Financial Statements of the Company.
- The RoNW has been computed by dividing restated profit after tax 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.

4. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share	(Amount in ₹)
1.	As at March 31, 2022	9.06
2.	As at March 31, 2023	11.40
3.	As at March 31, 2024	15.48
4.	NAV per Equity Share after the Issue	
	i.) at floor price	[●]
	ii.) at cap price	[●]
	Issue Price	[●]

*The above NAV has been calculated based on weighted number of shares outstanding at the end (after considering Bonus shares) of the respective year/period.

Notes:

- The figures disclosed above are based on the Restated Standalone 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.

5. Comparison of Accounting Ratios with Industry Peers

Name of Company	Current Market Price (₹)	Face Value	EPS		PE	RoNW (%)	Book Value (₹)	Total Income (₹ In Lakhs)
			Basic	Diluted				
Asha Resins Limited	[●]	10	4.08	4.08	[●]	26.34%	15.48	1700.29
Peer Group								
Chembond Chemicals Limited	630.00	5	33.02	33.02	19.08	12.29%	268.78	47,924.84

Notes:

- Source – All the financial information for listed industry peers mentioned above is sourced from the Annual Reports/Offer Documents of the aforesaid companies and stock exchange data dated 30.08.2024 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the issue price of equity share. Further, P/E Ratio is

based on the current market price of the respective scrips.

- (ii) The EPS, Book Value, RoNW and total Income of our Company are taken as per Restated Standalone Financial Statement for the Financial Year 2023-24
- (iii) RoNW has been computed as net profit after tax divided by closing net worth.
- (iv) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (v) Book Value per share has been computed as Shareholder Fund divided by Number of Shares at the end of year after considering bonus issue.
- (vi) The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

6. 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 board resolution dated September 21, 2024 and the members of the board have verified the details of all KPIs pertaining to our Company. Further, the members of the board 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 SR Goyal & Co, Chartered Accountants, by their certificate dated September 21, 2024.

The KPIs of our Company have been disclosed in the sections titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*” on pages 97 and 173, respectively. We have described and defined the KPIs as applicable in “*Definitions and Abbreviations*” on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the 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 Lakhs except percentages and ratios)

Key Financial Performance	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	1,640.56	1,902.04	1,597.76
EBITDA ⁽²⁾	461.84	270.18	227.51
EBITDA Margin ⁽³⁾	28.15%	14.20%	14.24%
PAT ⁽⁴⁾	372.95	214.34	177.60
PAT Margin ⁽⁵⁾	22.73%	11.27%	11.12%
RoE(%) ⁽⁶⁾	30.33%	22.90%	24.01%
RoCE (%) ⁽⁷⁾	35.11%	27.17%	28.60%

Notes:

- (1) Revenue from operation means revenue from sales, service and other operating revenues
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- (3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations
- (4) PAT is taken as Profit after Tax attributable to equity owner.
- (5) ‘PAT Margin’ is calculated as Profit after Tax attributable to equity owner divided by revenue from operations.
- (6) Return on Equity is ratio of Profit after Tax attributable to equity owners and Average Shareholder Equity
- (7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ Fund + Long term borrowing + Short term borrowing + Deferred Tax Liability

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.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Asha Resins Limited			Chembond Chemicals Limited		
	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	1640.56	1902.04	1597.76	46,198.61	44,044.41	34,941.63
EBITDA ⁽²⁾	461.84	270.18	227.51	4,932.44	3,484.68	1,709.48
EBITDA Margin (%) ⁽³⁾	28.15%	14.20%	14.24%	10.68%	7.91%	4.89%
PAT ⁽⁴⁾	372.95	214.34	177.60	4,440.97	2,509.56	1,392.06
PAT Margin (%) ⁽⁵⁾	22.73%	11.27%	11.12%	9.61%	5.70%	3.98%
RoE (%) ⁽⁶⁾	30.33%	22.90%	24.01%	13.00%	8.02%	4.66%
RoCE (%) ⁽⁷⁾	35.11%	27.17%	28.60%	16.77%	10.76%	5.64%

Notes:

⁽¹⁾Revenue from operation means revenue from sales, service and other operating revenues

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

⁽³⁾'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ PAT is taken as Profit after Tax attributable to equity owner.

⁽⁵⁾ 'PAT Margin' is calculated as Profit after Tax attributable to equity owner/year divided by revenue from operations.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax attributable to equity owners and Average Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability

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 May 03, 2024 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.

Date of Allotment	No. of equity Shares allotted	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
May 03, 2024	90,00,000	Nil	Bonus Issue in ratio of 60:1	Other than Cash	Nil

- 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) Except as disclosed below, 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 Promoter/ Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

Primary Transactions:

There have been no primary transactions in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of equity Shares allotted	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
NA					

Secondary Transactions:

Except as disclosed below, 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.

Date of transfer	Name of transferor	Name of transferee	No. of Equity shares	Price Per Equity Share (₹)	Nature of transaction	Total Consideration
May 05, 2024	Sneha Kiran Karnawat	Veeram Kiran Karnawat	1	10/-	Transfer of Shares	10/-

May 05, 2024	Sneha Kiran Karnawat	Govind Gokhale	1	10/-	Transfer of Shares	10/-
May 05, 2024	Sneha Kiran Karnawat	Umakant Suryawanshi	1	10/-	Transfer of Shares	10/-

Weighted average cost of acquisition & Issue price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price* (i.e. ₹ [●])	Issue price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	Nil	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^^	NA^^	NA^^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	10	[●] 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 sale/ acquisitions as mentioned in paragraph 8(b) above, 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 daily newspaper and all editions of [●], a Hindi national daily newspaper and Marathi edition of [●], a regional newspaper each with wide circulation where the registered office of the company is situated. 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, 24 and 139 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.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors,
Asha Resins Limited
1232, Bhawani Peth, Pune,
Maharashtra, India, 411042

Dear Sirs,

Sub: Statement of Special Tax Benefit ('the Statement') available to ASHA RESINS LIMITED and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by the management of **Asha Resins Limited** ('the Company') states the special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act') as amended from time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

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

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

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

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

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

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

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. Signed in terms of our separate report of even date.

For SR Goyal & Co.
Chartered Accountants
Firm Registration No. : 001537C

Sd/-

Ajay Kumar Atolia
Partner
Membership No. : 077201
UDIN: 24077201BKEQFF1165
Place: Jaipur
Date: September 21, 2024

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

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

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

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

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

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

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

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.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.

We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION V- ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Red Herring Prospectus, including the information in **“Our Business”** and **“Financial Information”** beginning on pages 97 and 139 respectively of this Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see **“Risk Factors”** beginning on page 24 of this Draft Red Herring Prospectus.

GLOBAL ECONOMIC OUTLOOK

Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate—but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.

Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lackluster in many vulnerable economies—over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.

Global risks remain tilted to the downside despite the possibility of some upside surprises. Escalating geopolitical tensions could lead to volatile commodity prices, while further trade fragmentation risks additional disruptions to trade networks. Already, trade policy uncertainty has reached exceptionally high levels compared to other years that have featured major elections around the world since 2000. The persistence of inflation could lead to delays in monetary easing. A higher-for-longer path for interest rates would dampen global activity. Some major economies could grow more slowly than currently anticipated due to a range of domestic challenges. Additional natural disasters related to climate change could also hinder activity. On the upside, global inflation could moderate more quickly than assumed in the baseline, enabling faster monetary policy easing. In addition, growth in the United States could be stronger than expected.

Global outlook

The global economy is stabilizing, following several years of negative shocks. Global growth is projected to hold steady at 2.6 percent this year, despite flaring geopolitical tensions and high interest rates, before edging up to 2.7 percent in 2025-26 alongside modest expansions of trade and investment. Global inflation is expected to moderate at a slower clip than previously assumed, averaging 3.5 percent this year. Central banks in both advanced economies and emerging market and developing economies (EMDEs) are likely to remain cautious in easing policy. As such, markedly higher interest rates than prior to the pandemic are set to sustain for an extended period. Despite some improvement, the outlook remains subdued. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average, with a slower pace of expansion in economies comprising over 80 percent of the global population. EMDE growth is projected to moderate from 4.2 percent in 2023 to 4 percent in 2024. Amid heightened conflict and violence, prospects remain especially lackluster in many vulnerable economies—over half of fragile and conflict-affected economies will still be poorer in 2024 than on the eve of the

pandemic. Risks have become more balanced but remain tilted to the downside. Escalating geopolitical tensions could lead to volatile commodity prices. In a context of elevated trade policy uncertainty, further trade fragmentation risks additional disruptions to trade networks. More persistent inflation could lead to higher-for-longer interest rates. Other risks include weaker-than-anticipated activity in key economies and disasters related to climate change. Against this backdrop, policy makers face daunting challenges. Global efforts are needed to safeguard trade, support green and digital transitions, deliver debt relief, and improve food security. Still-pronounced inflation risks underscore the need for EMDE monetary policies to remain focused on price stability. High debt and elevated debt-servicing costs will require EMDE policy makers to balance sizable investment needs with fiscal sustainability. To meet development goals, policies are needed to raise productivity growth, improve the efficiency of public investment, build human capital, and close gender gaps in the labor market.

Global prospects

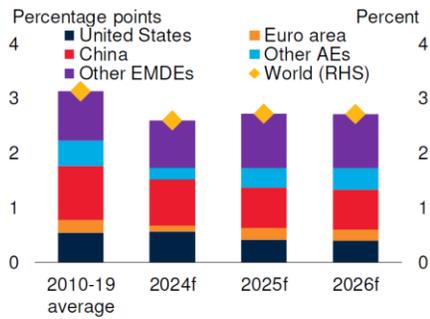
The global economy is stabilizing but the outlook remains subdued—both advanced economies and EMDEs are projected to grow at a slower pace over 2024-26 than in the pre-pandemic decade. Recent upward pressures on global core inflation are anticipated to gradually ease, such that headline inflation converges to levels broadly consistent with central bank targets by 2026. Market expectations for the path of U.S. policy rates have been repeatedly revised higher. Amid elevated borrowing costs, about two-fifths of EMDEs are acutely vulnerable to debt stress. In 2024-25, growth is expected to underperform its 2010-19 average in countries comprising more than 80 percent of global output and population. The multiple shocks of recent years have impeded per capita income catch-up, with almost half of EMDEs losing ground relative to advanced economies over 2020-24.

The global economy is stabilizing, following several years of overlapping negative shocks. Despite elevated financing costs and heightened geopolitical tensions, global activity firmed in early 2024. Global growth is envisaged to reach a slightly faster pace this year than previously expected, due mainly to the continued solid expansion of the U.S. economy. However, the extent of expected declines in global interest rates has moderated amid lingering inflation pressures in key economies. By historical standards, the global outlook remains subdued: both advanced economies and emerging market and developing economies (EMDEs) are set to grow at a slower pace over 2024-26 than in the decade preceding the pandemic (figure A).

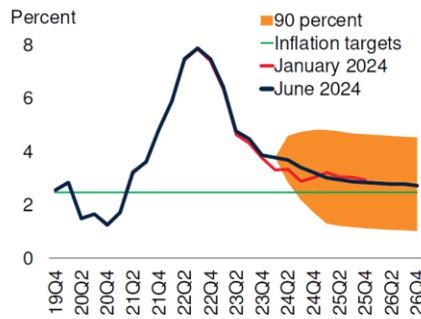
Inflation continues to wane globally, making progress toward central bank targets in advanced economies and EMDEs, but at a slower pace than previously expected. Core inflation has remained stubbornly high in many economies, supported by rapid growth of services prices. Over the remainder of 2024, continued tight monetary policy stances and slowing wage increases should help reduce inflation further. By the end of 2026, global inflation is expected to settle at an average rate of 2.8 percent, broadly consistent with central bank targets (figure B)

The anticipated extent of monetary easing in advanced economies this year has diminished substantially since late 2023—by more than a percentage point in the case of the United States. Expected policy rate paths diverge across major economies, as the European Central Bank proceeds with policy easing while the U.S. Federal Reserve keeps rates on hold for longer. Indeed, aside from short-term fluctuations, market expectations for the path of U.S. interest rates have repeatedly moved higher since 2022 (figure C). Despite this market reassessment, global financial conditions have eased this year, reflecting solid risk appetite following last year's progress on disinflation and diminished concerns about the possibility of a sharp slowdown in global growth. In particular, global equity markets have made sizable gains

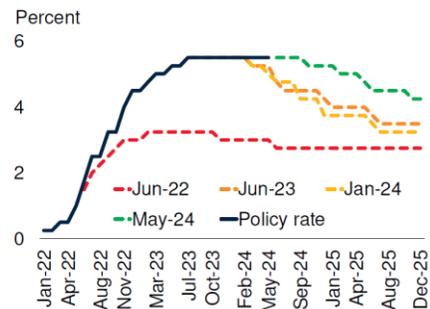
A. Contributions to global growth



B. Global consumer price inflation



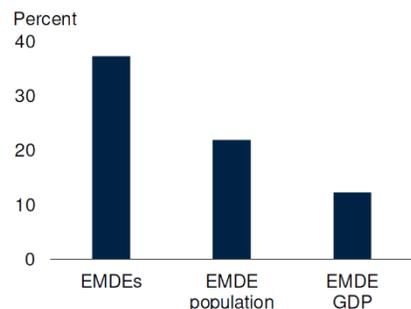
C. Market expectations of U.S. policy rates



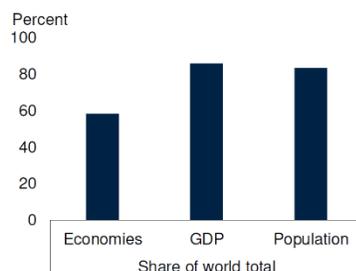
EMDE financial conditions similarly became more accommodative early this year, aided by declining domestic policy rates, improving global sentiment, and expected easing of advanced economy monetary conditions. EMDE conditions turned somewhat less accommodative in the second quarter, as a strengthening of the U.S. dollar—prompted by geopolitical tensions and firm inflation data in the United States—coincided with a bout of capital outflows. Although market perceptions of sovereign credit risk have generally eased this year, EMDE borrowing costs continue to be high, and marked divergences persist. Indeed, credit ratings and debt sustainability analyses indicate that about 40 percent of EMDEs remain acutely vulnerable to debt-related stress (figure D).

GDP per capita in EMDEs is forecast to grow at about 3 percent on average over 2024-26, well below the average in 2010-19. Excluding China, EMDE per capita GDP growth is forecast to be lower still, averaging 2.5 percent over 2024-26. Some large EMDEs, such as India, are expected to see continued solid per capita growth. Yet the trend of the 2020s so far is one of uneven and limited progress. Nearly half of EMDEs are set to lose ground relative to advanced economies when viewed over the 2020-24 period (figure F). Although this trend is expected to improve somewhat over 2025-26 in EMDEs as a whole, per capita growth is set to remain stagnant in many LICs and FCS.

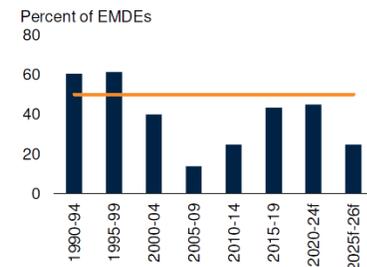
D. Share of EMDEs vulnerable to debt-related stress



E. Lower average GDP growth in 2024-25 compared to 2010-19



F. Share of EMDEs with GDP per capita growth lower than in advanced economies



(Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/6feb9566-e973-4706-a4e1-b3b82a1a758d/content>)

INDIAN ECONOMY OUTLOOK

Introduction

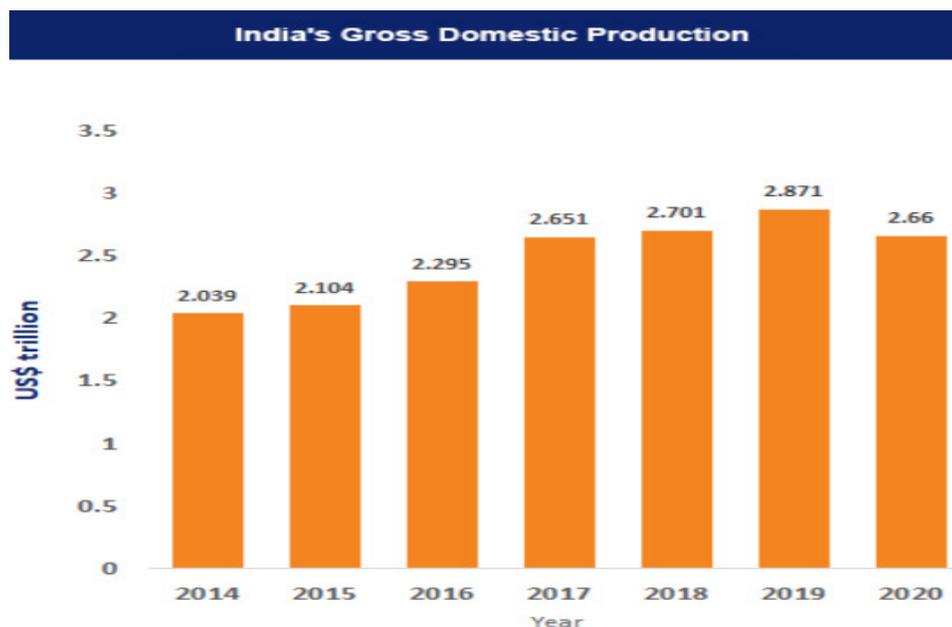
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 295.36 lakh crores (US\$ 3.54 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-June 2025, India's exports stood at US\$ 109.11 billion, with Engineering Goods (25.35%), Petroleum Products (18.33%) and electronic goods (7.73%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. 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 because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market Size



Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 173.82 lakh crores (US\$ 2.08 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from

non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

Government Initiatives

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

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- 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.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.

- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- 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.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.

Road Ahead

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

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

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

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

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

INDUSTRY SCENARIO- CHEMICAL INDUSTRY

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. India's chemical sector, which is

currently estimated to be worth US\$ 220 billion in 2022 and is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world production of dyestuffs and dye intermediates. Indian colorants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for few hazardous chemicals. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals).

The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals. Domestic demand is expected to rise from US\$ 170 billion-US\$ 180 billion in 2021 to US\$ 850 billion-US\$ 1,000 billion by 2040. India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables it to benefit on economies of scale.

Advantage India

1. Growing demand

- Rise in demand from end-user industries such as food processing, personal care and home care is driving the development of different segments in India's specialty chemicals market.
- India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP.
- According to a McKinsey report, Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.

2. Increasing investments and spending

- FDI inflows in the chemicals sector (other than fertilizers) reached US\$ 22.07 billion between April 2000-December 2023.
- Prime Minister, Mr. Narendra Modi, laid the foundation stone of development projects worth more than ₹ 50,700 crore (US\$ 6.11 billion) on September 14, 2023.
- An investment of ₹ 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025.
- The "Power and Renewable Energy Manufacturing Zone, Narmadapuram," whose construction is anticipated to cost about ₹ 460 crore (US\$ 55.5 million), would contribute to the economic growth and employment generation of the area.

3. Opportunities

- India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas.
- With global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth.
- The Dahej PCPIR project in Bharuch, comprising 180 existing and 650 under construction industrial units has attracted an investment of ₹ 1 lakh crore (~US\$ 12 billion) and is expected to generate 32,000 jobs.
- The Odisha government accepted investment applications worth ~US\$ 345.3 million in the metal, cement, chemical, plastic, food processing and manufacturing sectors in April 2021. This is likely to generate 2,755 jobs.

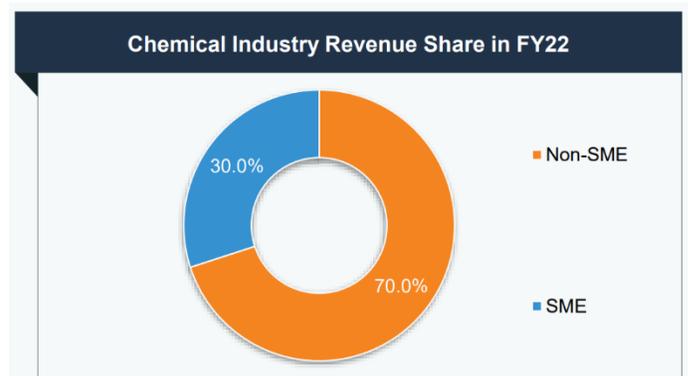
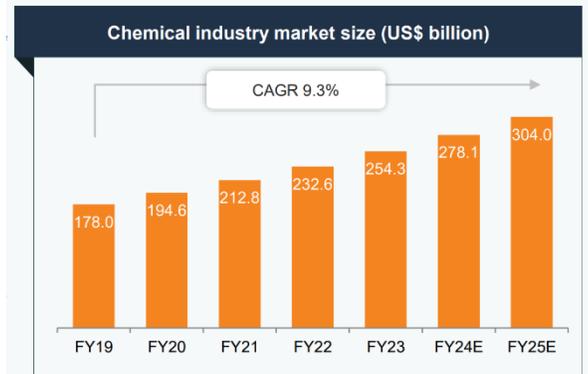
4. Policy support

- Under the Interim Budget 2024-25 the government allocated ₹ 192.21 crore (US\$ 23.13 million) to the Department of Chemicals and Petrochemicals.
- The PLI plan for the National Programme on Advanced Chemistry Cell Battery Storage has been approved by the Union Cabinet as of May 2021.
- PLI schemes were introduced to promote Bulk Drug Parks, with a budget of ₹ 1,629 crore (US\$ 213.81 million).
- Government to open 25,000 Jan Aushadhi Kendras to make medicines available at affordable prices.

Chemicals market in India

- Chemicals industry in India covers >80,000 commercial products.

- India accounts for 2.5% of the world's global chemical sales, exporting to more than 175 countries.
- India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP.
- The industry is expected to reach US\$ 304 billion by 2025 at a CAGR of 9.3%, driven by rising demand in the end-user segments for specialty chemicals and petrochemicals segment.
- Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.
- During April-December 2023, India's dye exports (Dyes and Dye Intermediates) totaled US\$ 1.69 billion.
- Specialty chemical companies are seeking import substitutions while exploring export opportunities to accelerate their business.
- India is the third largest polymer consumer in the world and is expected to consume 60 million tonnes by 2040.
- Gross bank credit for Chemicals and Chemical products grew by 4.2% in December 2023 as compared to the previous month.
- The agrochemicals market in India is expected to register an 8.6% CAGR to reach US\$ 7.4 billion between 2021 and 2026.
- Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.



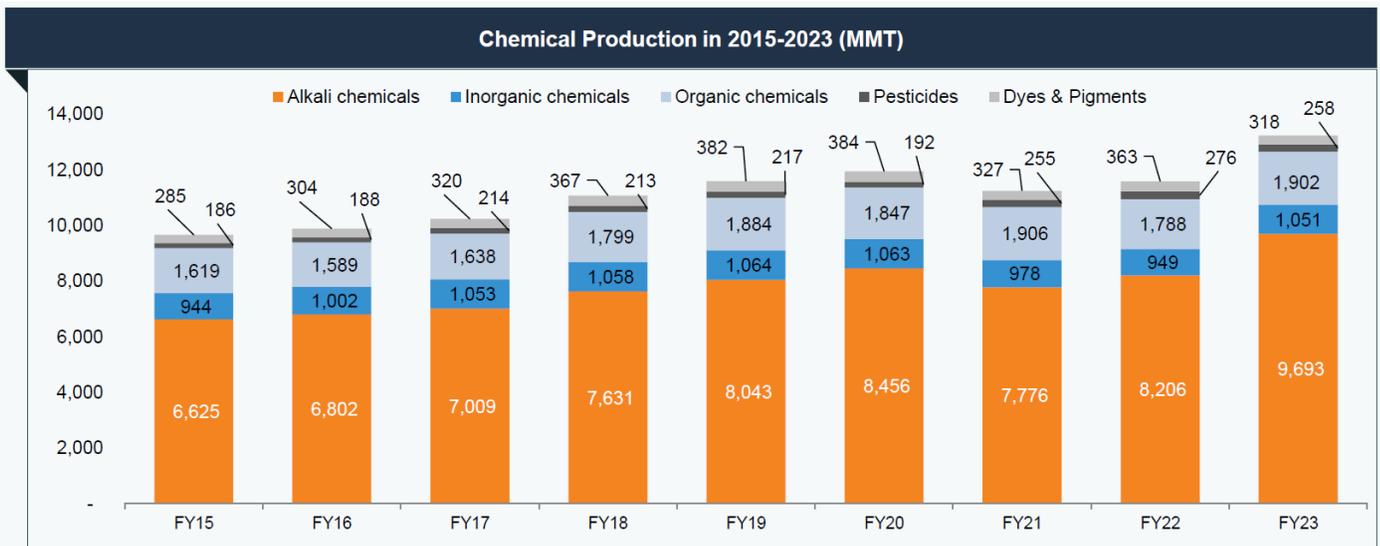
Chemical's market is split into five key segments

Bulk chemicals	Petrochemicals & polymers	Fertilisers	Specialty chemicals	Agrochemicals
<ul style="list-style-type: none"> These are groups of chemicals, which are manufactured on a large scale and further divided into organic, inorganic and alkali chemicals 	<ul style="list-style-type: none"> These chemicals are derivative of several chemical compounds such as hydrocarbons, which are derived from crude oil or natural gas 	<ul style="list-style-type: none"> These provide nutrients for plant growth; are divided into organic/inorganic and natural/synthetic. Further, these can be broadly classified into phosphate, potassium and nitrogenous 	<ul style="list-style-type: none"> These are derivatives of basic chemicals that are manufactured for specific end-use solutions. The characteristics of these chemicals include high-value, high R&D and low volume 	<ul style="list-style-type: none"> These chemicals are used to protect crops against insects and pests and include fungicides, herbicides, and insecticides, among others. These chemicals can be applied in water irrigation, seeds, soils and crops

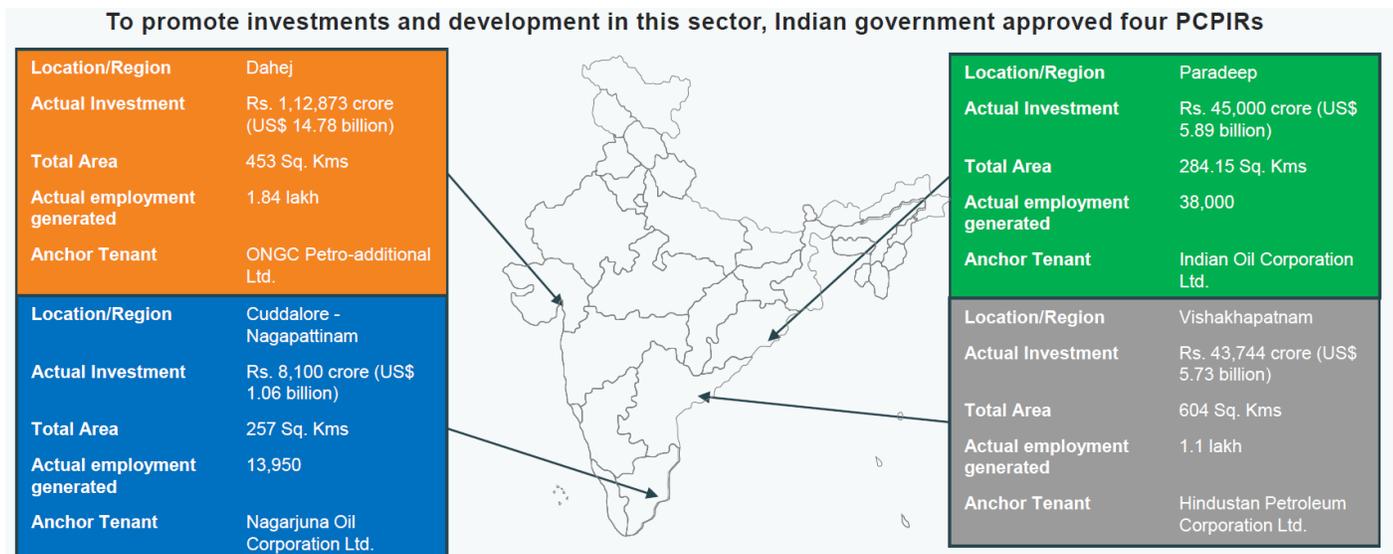
Chemical sector production capacity



Chemical trends in India



Petroleum, chemicals and petrochemicals investment region (PCPIR)

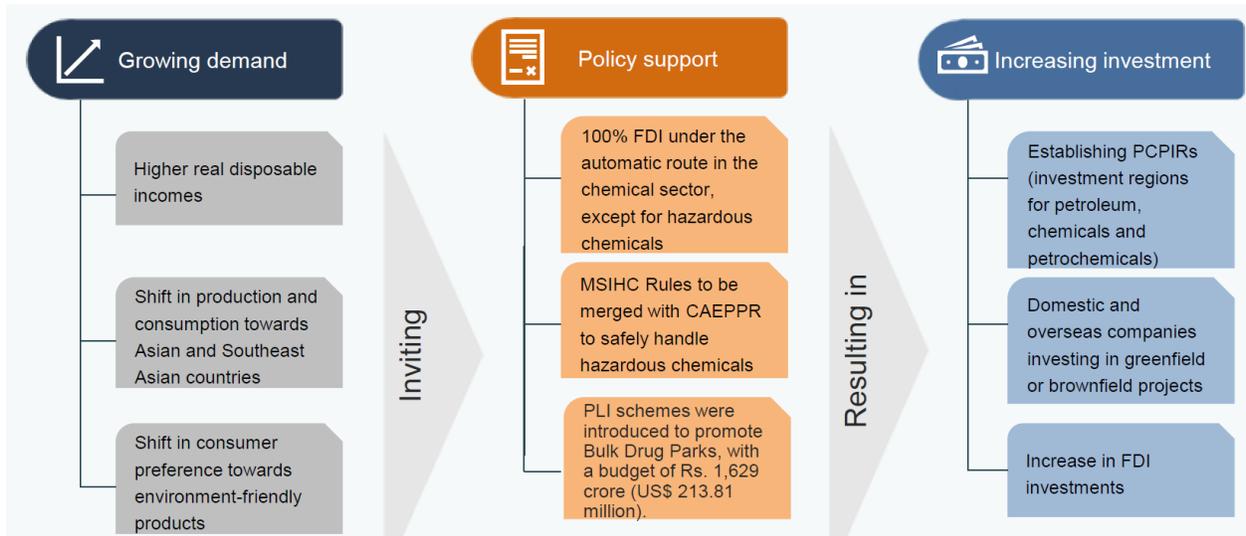


- PCPIR in Dahej, Gujarat attracted more investments compared with the other three cities-wherein various Indian and multinational companies such as ONGC, GACL, OPAL, BASF and LANXESS have opened facilities. The Gujarat

Infrastructure Development Corporation (GIDC) has made an investment of around ₹ 17,317 crore (US\$ 2.09 billion) for infrastructure development in the PCPIR.

- In December 2020, the PCPIR policy is being completely redesigned. Under the new PCPIR Policy 2020-35, it has been targeted to attract a combined investment of US\$ 142 billion (₹ 10 lakh crore) by the year 2025, ₹ 15 lakh crore (US\$ 213 billion) by 2030 and ₹ 20 lakh crore (US\$ 284 billion) by 2035 in all the PCPIRs across the country.
- The four PCPIRs are expected to generate employment for ~33.83 lakh people. ~3.50 lakh persons were employed in direct and indirect activities related to PCPIRs by the end of 2020.

Strong demand and policy support driving investments



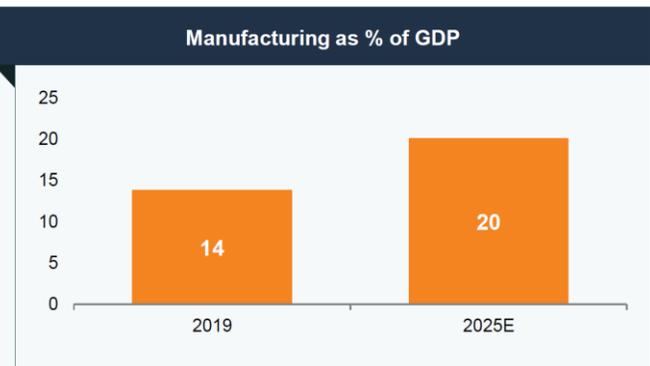
Key growth drivers

Rise in domestic demand

- By 2030, India is likely to have ~80% of the households in the middle-income group.
- The growing middle-class and increasing urbanisation is driving the demand for personal care, agrochemicals, food, paints & coatings resulting into higher consumption of chemicals per capita.

Government aims to boost manufacturing share in GDP to 20% by 2025

- Government considers the manufacturing sector to be a key focus area and has contacted ~1,450 companies worldwide to manufacture in India.
- The government plan includes 2-3 autonomous zones which does not have labor and land laws.
- ~300 companies are actively pursuing production plans in mobiles, electronics, medical devices and textiles.



Foreign Investment

Presence of prominent global players, such as BASF, Dow Chemicals, Bayer and others, 100% FDI in the chemicals sector and stringent laws on anti-dumping to drive the Indian chemical market.

Growing End Use Industries

Demand from packaging, construction, automotive and other industries to drive the Indian chemical market.

Emerging Manufacturing Hubs

The dedicated integrated manufacturing hubs under Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of ₹ 20 lakh crore (US\$ 276.46 billion) by 2035

Recent developments and investments by key players

Public-private partnership (PPP) model

- In March 2023, Chennai awaits more bio-CNG plants to enable switch to clean energy.
- The Department of Atomic Energy (DAE) is constructing India's first research reactor on a public-private partnership (PPP) model.

Favourable initiatives by government

- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- In April 2023, Cabinet approved the National Medical Devices Policy, 2023.
- Industrial licensing is approved in most sectors, except for few hazardous chemicals. The Indian Government supports the industry in research & development, reduced the basic customs duty on several products and offers support through the 'Make in India' campaign.
- Four Petroleum, Chemicals and Petrochemical Investment Regions (PCPIRs) were set up as the investment regions for petroleum, chemicals and petrochemicals along with associated services.
The Government of India is considering launching a production-linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.

Water & Waste Water Treatment Industry

Water and wastewater management is a promising subsector in India's environmental technology segment. India's demand for water is projected to be twice as much as the available supply by 2030. To overcome these challenges, public and private sector facilities have ambitious plans to develop comprehensive water and wastewater treatment and distribution infrastructure. Demand for high-end treatment technologies is growing in India.

Various governmental initiatives, such as the Atal Mission for Rejuvenation and Urban Transformation, National Mission for Clean Ganga, Jal Jeevan Mission, and Community Drinking Water Schemes, contribute to the growth of the Indian water and wastewater treatment market. In May 2019, the Indian government created the Jal Shakti Ministry, bringing all water-related agencies under one ministry to provide safe drinking water to the people of India. Soon after it was founded, the Jal Shakti Ministry launched the Jal Jeevan Mission, designed to provide piped drinking water to 146 million households in 700,000 villages by 2024. The mission earmarked a budget of \$51 billion for states to increase household water connection coverage from 18.33 percent in 2019 to 100 percent by 2024. This ambitious project is creating opportunities for suppliers of water meters, water quality monitoring systems, water management-related IT systems, tertiary treatment technology, and water-related Engineering, Procurement, and Construction companies.

The private sector power, food and beverage, chemicals, pharmaceuticals, refineries, and textiles industries prefer advanced treatment technological systems such as reverse osmosis membranes for treating their wastewater. These water treatment markets are gradually shifting from chemical treatment and demineralization plants to membrane technology. The concept of wastewater recycling and zero discharge systems is becoming more widely accepted as new technologies such as sequencing batch reactor (SBR) and membrane bioreactor (MBR) based treatment gain in adoption.

The coastal states of Tamil Nadu and Gujarat are frontrunners in setting up desalination plants to bolster drinking water supply. Some industries are also setting up desalination plants to meet process water requirements. As examples, some power

plants, oil refineries, iron and steel plants, distilleries, cement plants, and fertilizer plants are pursuing the principle of Reuse, Recycle, and Zero Liquid Discharge to better manage water usage and improve their environmental footprint

(Source: <https://www.trade.gov/market-intelligence/india-water-and-wastewater-treatment-industry>)

Road Ahead

Despite the pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and the trade conflict between the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs to encourage downstream units will enhance production and development of the industry. The dedicated integrated manufacturing hubs under the Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of ₹ 20 lakh crore (US\$ 276.46 billion) by 2035.

To bring about structural changes in the working of the domestic chemical industry, future investments should not only focus on the transportation of fuels such as petrol and diesel but also on crude-to-chemicals complexes or refineries set up to cater to the production of chemicals.

(Source: <https://www.ibef.org/industry/chemical-industry-india>)

OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’, ‘Financial Information’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos. 24, 139 and 173 respectively, of this Draft Red Herring Prospectus.

Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Red Herring Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Asha Resins Limited” as the case may be.

OUR OVERVIEW

We are engaged in the business of manufacturing of wide range of water and wastewater treatment chemicals. Our extensive product portfolio includes ion exchange resins, biocides, dispersants, polyelectrolytes, settling agents, color-removing chemicals, antiscalants, oxygen scavengers, hardness reducers, and cleaning chemicals, as well as sugar process chemicals, RO treatment chemicals, and fuel additives. Our products find diverse applications across various industries, particularly in water and wastewater treatment for sectors such as pharmaceuticals, oil and gas, chemicals, and textiles.

Ion Exchange resins are essential for treating water in various industries such as pharmaceuticals, oil & gas and energy. These are primarily used for water softening, which involves removing calcium and magnesium ions from hard water and replacing them with sodium ions, thereby softening the water. They are also utilized for deionization, a process that removes all ions from water to produce ultra-pure water, essential for industrial processes and pharmaceuticals. We offer both cation and anion exchange resins, allowing us to provide customized solutions that fit specific needs.

Further, we produce sugar process chemicals for sugar industry such as Evaporator antiscalant, Mill sanitation chemical, Viscosity reducer Scale softeners, and Colour precipitants etc. which enhance efficiency and improve the quality of the sugar production. For the Fiscal 2024, our revenue from operations stood at Rs, 1,640.56 lakhs of which revenue from Ion exchange resin & water treatment chemicals, sugar processing chemicals and others including Dispersant, Crosslinked Polymer, Deoiler, and Formulations etc. contributed 69.37%, 13.70% and 16.93% respectively.

Our manufacturing facility is situated at Pune, Maharashtra is spread across 65,000 square feet with an annual installed capacity of 1560 metric tonnes. It is equipped with various machines such as Polymerization Reactor, Mixing Reactor, Sulphonation reactor and Acid washing Dilutor etc. Our products are manufactured from raw materials such as Styrene Monomer, Divinyl Benzene, EDC, Oleum etc. Our products undergo through examination, testing and evaluation to ensure compliance with specified requirements. We have been granted ISO 9001:2015 for quality management system from QRO Certification LLP. Our products are marketed under the registered name of “ASHAION”. Currently, we market our products mainly in Maharashtra, Gujarat, Karnataka, and Telangana.

Our Company is managed by Mr. Kiran Mohanlal Karnawat who looks after the affairs of the Company and has considerable experience in this Industry. We believe our success is the result of sustained efforts over the years in key aspects of our business, such as products, process improvements and increased scale of operations. For more details, please see the chapter titled, “**Our Management**” on page 119 of this Draft Red Herring Prospectus.

The following table presents the bifurcation of revenue by state wise for the fiscals 2024, 2023 and 2022.-

(Amount in lakhs except percentages)

State	2023-24	% of Revenue from operations	2022-23	% of Revenue from operations	2021-22	% of Revenue from operations
Maharashtra	1,102.70	67.22%	1,261.84	66.34%	1,003.77	62.82%
Gujarat	211.40	12.89%	304.72	16.02%	342.02	21.41%
Karnataka	125.60	7.66%	213.75	11.24%	143.03	8.95%
Telangana	82.07	5.00%	33.31	1.75%	27.73	1.74%

Others	118.80	7.24%	88.43	4.65%	81.22	5.08%
Total Revenue from Operations	1,640.56	100.00%	1,902.04	100.00%	1,597.76	100.00%

Others include Tamil Nadu, Andhra Pradesh, Punjab, New Delhi, Kerala, Uttarakhand, Chhattisgarh, Odisha, Chandigarh, West Bengal, Madhya Pradesh, Uttar Pradesh, Assam and Goa

KEY PERFORMANCE INDICATORS OF OUR COMPANY

(Amount in lakhs except percentages and ratios)

Key Financial Performance	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	1,640.56	1,902.04	1,597.76
EBITDA ⁽²⁾	461.84	270.18	227.51
EBITDA Margin ⁽³⁾	28.15%	14.20%	14.24%
PAT ⁽⁴⁾	372.95	214.34	177.60
PAT Margin ⁽⁵⁾	22.73%	11.27%	11.12%
RoE(%) ⁽⁶⁾	30.33%	22.90%	24.01%
RoCE (%) ⁽⁷⁾	26.10%	20.30%	20.97%

Notes:

⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues

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

⁽³⁾ EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ PAT is taken as Profit after tax for the year

⁽⁵⁾ PAT Margin is calculated as Profit after tax for the year divided by revenue from operations.

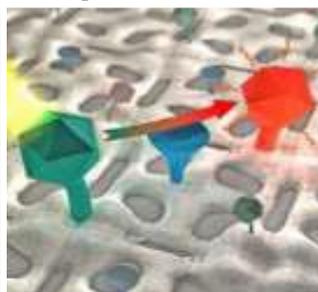
⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus Total borrowings + deferred tax liability(net).

OUR COMPETITIVE STRENGTHS

Diverse range of products

We manufacture a wide range of water treatment and industrial chemicals such as Ion exchange resins, Sugar process chemicals, Biocide chemicals, Water treatment chemicals, Dispersants, Fuel additives chemicals, Polyelectrolytes, RO Antiscalant and cleaning chemicals. Our products find diverse applications across various industries Chemical, Energy and Petrochemical industry. In order to expand the application of our products, our Company is equipped with necessary facilities to develop and devise products suitable as per the requirement of customers functioning in various industries.



In-house manufacturing facility with quality control mechanism

We presently carry all our manufacturing operations through manufacturing facility located at Pune, Maharashtra, which is spread across 65000 square feet with an annual installed capacity of 1560 metric tonnes. The facility is equipped with capabilities to develop and manufacture our product portfolio. We have been granted ISO 9001:2015 for quality management system from QRO Certification LLP. Our products are marketed under the registered name of “ASHAION. Currently, we market our products mainly in Maharashtra, Gujarat, Karnataka, and Telangana. Our strong quality control measures ensure that our finished products meet high-quality standards. By managing our manufacturing in-house, we streamline inventory management and the production process, which helps us maintain high-quality production, reduce production time, and achieve cost efficiency.

Long standing relationship with our Customers

Our products generally caters to customers who primarily are manufacturers of chemicals in state of Maharashtra, Gujrat, Karnataka and Telegana. We generally do not enter into long term agreements with our customers, however, we have developed longstanding relationships with these customers. Maintaining strong relationships with our key customers is essential to our business strategy and to the growth of our business. Owing to our strong customer relationships and service, we have been able to retain a number of our customers for a long period of time ensuring uninterrupted supplies of our products to them. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

Well Qualified and Experienced Management Team

We have an experienced and qualified management team led by our Promoter & Managing Director Mr. Kiran Karnawat has an experience of 31 years in the chemical industry. We believe that our Management team’s experience and their understanding of the chemical industry enable us to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. We are also supported with adequate technical and commercial team having relevant experience of the industry that along with the experience of our promoter help us to achieve the organizational goals. Thus, we are well placed to capitalize the knowledge.

BUSINESS STRATEGIES

Continue to invest in our Manufacturing capabilities

Our company aims to significantly enhance its manufacturing capabilities in the water treatment and industrial chemicals sector through strategic capital investments. We plan to allocate ₹626.09 lakhs towards civil construction and ₹989.77 lakhs for additional plant and machineries such as Effluent Treatment Plant with MBR technology, SS Reactor, Glass Lined Reactor, FBD machine, Glass condenser, chemical tank etc. These enhancements at our facility in Mauje Dhanore will increase our production capacity, enabling us to meet growing market demand and improve operational efficiency.

This commitment to capacity expansion and modernization will not only bolster our competitive positioning but also pave the way for sustainable growth. For more details, please refer to the “*Objects of the Issue*” section on page 67 of this Draft Red Herring Prospectus.

Focus on manufacturing by expanding our product portfolio

We seek to leverage our capabilities, including our manufacturing facilities and quality control practices, to further expand our product portfolio in the existing segments and also enter new business segments. We believe that by developing new formulations and variants of our products, we can successfully expand our product offerings to larger customer base. We intend to continue to focus on our ability to customize our products according to the specific requirements of our customers and broaden our portfolio and focus on consistent solutions.

Continue to reduce operating costs and improve operational efficiencies

Providing quality products at attractive prices is crucial for maintaining and expanding relationships with our customers. We aim to further enhance our operational efficiencies to increase economies of scale, absorb fixed costs more effectively, reduce

other operating expenses, and strengthen our competitive position. Our focus will be on improving capacity utilization at our production facilities by increasing our overall production volumes. Additionally, we will strive to manage supply chain costs by maintaining optimal inventory levels, implementing economic orders, and adopting other necessary measures. Leveraging economies of scale will also be instrumental in continually improving our operational efficiencies

Focus on consistently meeting customer specification’s & quality standards

Our Company intends to focus on adhering to the customers’ specifications and quality standards of the components. Continuous review of products at different stages to identify any deviations from the specifications and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired customer specifications and good quality products help us in enhancing customer trust and maintaining long term relationships with customers. Also, continuously meeting the customer specifications and quality standards is essential to obtain repeat orders.

OUR MANUFACTURING FACILITY:

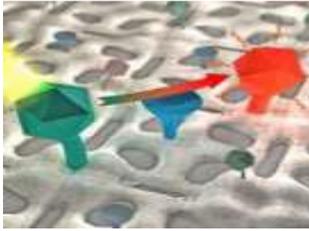
Our Location: Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105



OUR PRODUCTS

The main products manufactured by us are as under:

Product Name	Image	Description	Usages
1. Ion Exchange Resins		Ion Exchange Resins is used for water softening and Demineralisation. It is	<ul style="list-style-type: none"> Water Purification and Softening Industrial Processes

		used in Industrial Boilers to soften the hard water	
2. Sugar Process Chemical		Sugar Process chemicals are crucial in transforming raw sugarcane into refined sugar. These chemicals ensure the efficient extraction and refinement of sugar, improving purity and quality.	<ul style="list-style-type: none"> • Sugar Manufacturing • Environmental Management • Food and Beverage Industry
3. Biocides		Biocides are chemical substance designed to control or eliminate harmful microorganisms.	<ul style="list-style-type: none"> • Water Treatment • Industrial Applications
4. Water Treatment Chemicals		Water treatment chemicals are substances used to improve the quality of water by removing contaminants or making it safer for consumption and use.	<ul style="list-style-type: none"> • Water Treatment • Industrial Applications • Boilers
5. Dispersants		Dispersants are chemicals used to break up and disperse oil spills or other contaminants in water, making them easier to degrade or remove.	<ul style="list-style-type: none"> • Oil field and Drilling operations • Wastewater Treatment
6. Fuel Additives Chemicals		Fuel additive are chemicals mixed with fuels to enhance their performance, efficiency and safety.	<ul style="list-style-type: none"> • Corrosion Inhibitors • Emulsifiers

7. Polyelectrolytes		Polyelectrolytes are a class of polymers that carry an electrical charge due to the presence of ionic groups in their structure.	<ul style="list-style-type: none"> • Water Treatment
8. RO Antiscalent		RO antiscalents are chemicals used in reverse osmosis water treatment systems to prevent the formation and accumulation of scale on the membrane surfaces.	<ul style="list-style-type: none"> • Cleaning and Maintenance • Maintaining PH level

Product wise Revenue Performance

Product wise revenue	Fiscal 2024	% revenue mix FY24	Fiscal 2023	% revenue mix FY23	Fiscal 2022	% revenue mix FY22
Ion Exchange Resin & Water Treatment Chemical	1,138.07	69.37%	1,360.70	71.54%	1,105.90	69.22%
Sugar Process Chemical	224.74	13.70%	283.15	14.89%	256.13	16.03%
Others	277.75	16.93%	258.19	13.57%	235.73	14.75%
Total Revenue from Operations	1,640.56	100.00%	1,902.04	100.00%	1,597.76	100.00%

OUR MANUFACTURING PROCESS

There are different processes involved in each product, each process is crucial and of utmost importance for the product to have its required quality and standard. We ensure quality control in each of the manufacturing process. Manufacturing process for each product includes following:

Manufacturing process of Ion Exchange Resin (Cation Exchange Resin):-

The manufacturing process of our Ion exchange resin begins with the preparation of an aqueous phase. In a meticulously cleaned stainless-steel vessel, water and salt are combined and stirred thoroughly to ensure complete dissolution of the salt. The solution is then heated to a temperature range of 80° to 100°C.

Simultaneously, in a separate container, styrene is mixed with a calculated amount of Divinylbenzene (DVB) to form the organic phase. This organic mixture is then added to the heated aqueous phase under constant stirring. The stirring speed is carefully adjusted to achieve the desired bead size. Heating continues as the mixture is stirred, resulting in the formation of soft beads within approximately half an hour. These beads are subsequently allowed to harden by maintaining the temperature at 80° to 100°C.

Once the beads have hardened, they are cooled and transferred to a washer where they are thoroughly washed with water. Following washing, the beads are dried and then subjected to sulphonation. The sulphonation process involves soaking the beads in Ethylene Dichloride (EDC) and treating them with Oleum. This process introduces sulfonic acid groups onto the beads, transforming them into cation exchange resin.

The sulphonated beads are then rinsed with varying concentrations of sulfuric acid to ensure proper ion exchange and to finalize the resin in its hydrogen form. In the final step, the hydrogen form resin is converted into other desired forms, such as sodium or calcium, depending on the specific application requirements.

1. **Polymerization:** Styrene and DVB are polymerized with a catalyst in a reactor, with regulated stirring speed to achieve the desired bead size.
2. **Drying:** The beads are dried and then sieved to ensure they meet the specified size requirements.
3. **Sulphonation:** The dried beads are soaked in EDC and sulphonated using Oleum to introduce sulfonic acid groups.
4. **Dilution:** The sulphonated beads are rinsed with sulfuric acid of varying concentrations to produce the cation exchange resin in its hydrogen form.
5. **Conversion:** The hydrogen form resin is further processed to convert it into other forms such as sodium or calcium, tailored to specific application needs.

This comprehensive process ensures the production of high-quality cation exchange resins with consistent performance characteristics.

Manufacturing Process of Sugar Process Chemical (Cationic Flocculants):

The production of cationic flocculants involves the polymerization of Dimethyl Diallyl Ammonium Chloride (DADMAC) using a catalyst. The process is conducted as follows:

1. **Raw Material Preparation:**
 - **Dimethyl Diallyl Ammonium Chloride (DADMAC):** This is the primary monomer used for polymerization.
 - **Ammonium Persulfate (APS):** This acts as a polymerization initiator or catalyst.
 - **EDTA Salt:** Ethylenediaminetetraacetic acid salt is used to chelate metal ions, which can otherwise interfere with the polymerization process.
2. **Initial Reaction Setup:**
 - **Mixing:** Begin by adding the required quantity of DADMAC to a stainless-steel reactor. The DADMAC is then diluted with water to achieve the desired concentration.
 - **EDTA Addition:** The EDTA salt is added to the DADMAC solution. EDTA helps to control the polymerization environment by binding metal ions that could otherwise act as inhibitors.
3. **Polymerization Reaction:**
 - **Initiator Addition:** Gradually introduce APS into the reactor. APS serves as the initiator for the polymerization reaction. It decomposes to generate free radicals, which initiate the polymerization of DADMAC.
 - **Polymerization Process:** Once APS is added, the polymerization reaction starts. The reaction mixture is maintained at the optimal temperature and stirred continuously to ensure uniform polymer formation.
 - **Curing:** Allow the reaction to proceed for approximately 3 hours. This curing period ensures that the polymerization is complete and the final product reaches the desired molecular weight and properties.
4. **Product Formation:**
 - After the curing period, the polymerization reaction is complete. The resulting product is a cationic flocculant, characterized by its ability to effectively aggregate and flocculate particles in various applications.

This process produces high-quality cationic flocculants suitable for a range of industrial applications, including water treatment and paper manufacturing. The precise control of raw materials, reaction conditions, and curing time ensures the production of effective and consistent flocculant products.

PLANT & MACHINERY

The major plant & machinery installed at our factory are as under:

SS reactor, Glass Line Reactor, Dilutor, Fluidised Bed, Vibrating Screen, Resin Tank, Polymer Tank, Boiler and Acid Tanks:



Polymerization Reactor (SS Reactor)



Mixing Reactor (SS Reactor)



Sulphonation Reactor (Glass line Reactor)



Acid Washing Dilutor (FRP Dilutor)

UTILITIES AND INFRASTRUCTURE FACILITIES

Raw Materials

The principal raw materials required by our company for the manufacturing process include Styrene, Soda Ash, Ethylene Dichloride, Benzyl Peroxide, Salt, Lime, HEDP, Divinyl Benzene, Caustic Lye, HCl, Acrylic Acid, Ammonium Bifluoride, Rodine, N.P. 95 PEG, and Liquid Doss OT. These materials are primarily procured from domestic suppliers, while Divinyl Benzene is sourced from the international market. In fiscal years 2024, 2023, and 2022, the cost of raw materials consumed amounted to ₹ 939.57 lakhs, ₹ 1,192.79 lakhs, and ₹ 991.63 lakhs, respectively, impacting our revenue from operations.

Power

The requirement of power of our operations like power for running and operating the machinery/equipment is met through Maharashtra State Electricity Distribution Co. Ltd. for our factory premises.

Water

Water is a key and indispensable resource requirement in our manufacturing process. Our Company has made adequate arrangements to meet its water requirements. Water requirement at our manufacturing facility is met through Private Supplier Mayur Land Developers.

CAPACITY AND CAPACITY UTILIZATION

The following table sets forth the installed capacity, actual production, and utilization of our manufacturing facilities for the periods indicated (in MT)

Particulars	2023-24	2022-23	2021-22	Existing	Installed
				Capacity(p.a.)	
Installed capacity (MT)	1560	1560	1560	1560	
Actual Production (MT)	1535	1550	1400		
Capacity Utilization (in %)	98.40%	99.35%	89.74%		

**The information related to the installed capacity is based on the certificate received from Er. Vikrant S Suryawanshi, Chartered Engineers June 22, 2024.*

INSURANCE

Our operations are exposed to inherent risks such as equipment failures, work accidents, fires, earthquakes, floods, and other force majeure events that could result in injury, loss of life, severe damage to or destruction of property and equipment, as well as environmental damage. To mitigate these uncertainties, we adhere to insurance requirements dictated by the nature of our business and operational environment. Our insurance coverage includes policies such as Private Car, Udyam Suraksha, Employee Compensation, and other general policies relevant to our business operations.

OUR MAJOR CUSTOMERS

The percentage of income derived from our top customers for the period ended March 31, 2024 based on revenue from sale of products and services is as given below:

Sr. No.	Particulars	For the period ended March 31, 2024	
		Revenue (Rs. in lakhs)	Percentage %
1	Income from Top 5 Customers	705.82	43.02%
2	Income from Top 10 Customers	886.68	54.05%

We constantly try to address the needs of our customers for maintaining a long-term working relation with the customers, in order to get continuous business.

COLLABORATION

Our Company has so far not entered into any technical or financial collaboration agreement with the third party.

COMPETITION

We believe that the principal factors affecting competition in our business include client relationships, reputation, market focus and the relative quality, price of the products. We face competition from various domestic and other players in the market. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. If we are unable to manage our business it might impede our competitive position and profitability. We intend to continue competing using the resources available at our disposal to capture more market share and adding more resources as required, including human resources to manage our growth in an optimal way. Some of our significant competitors in the organized segment includes Chembond Chemicals Limited.

SALES & MARKETING STRATEGY

Our Sales and Marketing team keeps a track of new leads and stay in touch with our existing customers when new developments are foreseen at their end. There is continuous interaction with the product development team at customer end so as to understand the potential business possibilities in near future and the opportunities where we can be sharing responsibilities for new product component support. Our marketing team along with our management through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the sales network of our Company. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success, and therefore, we focus on attracting and retaining the best talent. Our goal is to recruit the necessary talent, facilitate the integration of employees into the company, and encourage skill development to support our performance and operational growth. As of July 31, 2024, our company employs 20 permanent full-time employees including managerial personnel.

INTELLECTUAL PROPERTY

Below are the details of the trademark application made by our company with the Registrar. For details of our intellectual property rights, see **“Government and Other Statutory Approvals”** on page 187 of this Draft Red Herring Prospectus.

Sr. No.	Word/ Label	Application No.	Class	Date of Issue	Status
1.	“ASHAION”	1844239	1 [#]	July 27, 2009	Registered*

**Registered in the name of Asha Resins Pvt. Ltd. trading as Ashaion, Manufacturers & Traders, (Body Incorporate).*

Description of the class: Chemicals for use in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; fire extinguishing and fire prevention compositions; tempering and soldering preparations; substances for tanning animal skins and hides; adhesives for use in industry; putties and other paste fillers; compost, manures, fertilizers; biological preparations for use in industry and science.

OUR IMMOVABLE PROPERTIES

The following are the details of the material properties owned/leased/rented by the company

Sr. No.	Usage	Address	Owned/Leased/Rented
1	Registered office and Manufacturing unit	Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105	Owned
2.	Admin/Correspondence Office	1232, Bhawani Peth, Pune, Maharashtra, India, 411042	NOC obtained from Sanjay Mohanlal Karnavat

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific statutes, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to us in order to carry out our business and operations in India. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies that are available in the public domain. The description set out below is only intended to provide general information to the investors and may not be exhaustive and is neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” on page 187. For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and other Approvals” beginning on page number 187 of this Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

It consists of six chapters which are further divided into 32 sections. This Act also provides for the formation of the National Board of Micro, Small and Medium Enterprises. The head office of the Board is in Delhi. Section 3 of the Act defines the members of the board. The Central Government, by notification, can constitute an advisory committee. Registration of micro, small and medium enterprises is replaced with the filing of the memorandum. To avail the benefit of the Act, it is always recommended to register the enterprises as a micro, small or medium enterprise. The concept is important for the promotion of industrial development in rural areas, use of traditional or inherited skills, use of local resources and mobilization of resources and exportability of products. It provides maximum opportunities for employment outside the agriculture sector as well.

Industries (Development and Regulation) Act, 1951, as amended (“IDR Act”)

The IDR Act has been liberalized under the New Industrial Policy dated July 24, 1991 and all industrial undertakings are exempt from licensing except for certain industries, including, among others, all types of electronic aerospace, defence equipment, ships and other vessels drawn by power. The IDR Act is administered by the Ministry of Commerce and Industry, Government of India, through the Department for Promotion of Industry and Internal Trade (DPIIT). The main objectives of the IDR Act are to empower the Government to take necessary steps for the development of industries, to regulate the pattern and direction of industrial development, and to control the activities, performance and results of industrial undertakings in the public interest. The DPIIT is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector.

Legal Metrology Act, 2009 (the “Metrology Act”)

The Legal Metrology Act, 2009 (referred to as the Metrology Act, as amended), was established to set and enforce standards for weights and measures. It aims to regulate trade and commerce involving goods that are sold or distributed by weight, measure, or number. The Metrology Act governs transactions and contracts related to goods or specific classes of goods, ensuring that they adhere to the weight, measurement, or number standards prescribed by the Act. The exact details regarding the denominations of weight for goods involved in transactions are determined by individual state rules and regulations.

EMPLOYMENT AND LABOUR LAWS

The Code on Wages, 2019 (the “Code”)

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees’ and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made thereunder.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965 (the “PoB Act”)**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

Industrial Relations Code, 2020

The Government of India enacted ‘The Industrial Relations Code, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows:

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a lab or court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial employment. The highlights of the Standing Orders such as classification of workmen, manner of intimation to workers about work and wage related details. Attendance and conditions for leaves, conditions of termination of employment and means of redressed for workmen in different.

Code on Social Security, 2020

The Government of India enacted 'The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The laws that the code shall subsume, are currently as follows –

- **Employee's Compensation Act, 1923**

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employees' Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees' Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death/serious bodily injury.

- **Employee's State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

- **Employee's Provident Fund and Miscellaneous Provisions Act, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

The Employees' Pension Scheme, 1995

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

Employees' Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013 (the "Act")

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")

The "CLPR Act" seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

Fire Prevention Laws and The National Building Code of India, 2016

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance. The National Building Code (NBC) promulgates legal provisions governing the safety of individuals within specific categories of structures, encompassing public, residential, industrial buildings and others as stated within categories provided therein. These provisions encompass a wide array of critical aspects, including but not limited to fire safety, disaster management and precautions, as well as accessibility.

The Factories Act, 1948

The Factories Act, 1948, is a comprehensive piece of legislation in India that governs the health, safety, welfare, and working conditions of workers employed in factories. Enacted to ensure the well-being of factory workers and to regulate the working environment, it lays down provisions related to the cleanliness, ventilation, and lighting of factory premises, along with adequate facilities for drinking water, latrines, and urinals. The Act also mandates safety measures to prevent industrial accidents, such as proper fencing of machinery, precautions against fire hazards, and provision of personal protective equipment. Furthermore, it stipulates working hours, overtime, and prohibits the employment of children under 14 years of age, thereby promoting fair labor practices and safeguarding workers' rights. Through its detailed regulations, the Factories Act, 1948, aims to create a safer and more humane working environment for factory labour across India.

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

• **Public Liability Insurance Act, 1991 (“PLI Act”)**

The Public Liability Insurance Act of 1991 is an Indian legislation aimed at providing compensation to victims of accidents occurring while handling hazardous substances. It mandates that industries dealing with such substances must have insurance coverage to compensate for any damages or injuries caused to the public. The Act sets out the requirements for liability insurance and the procedures for claims and compensation. It aims to ensure that businesses take responsibility for potential harm caused by their operations and provides a mechanism for affected parties to seek redress.

• **Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979**

The Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979, aims to regulate the employment and conditions of service of inter-state migrant workers in India. It requires employers to register such workers, maintain records of their employment, and ensure certain minimum conditions of work and amenities for them. The Act also provides for the licensing of contractors who recruit or employ inter-state migrant workers and imposes obligations on them regarding the payment of wages, provision of facilities, and ensuring the workers' welfare. The Act seeks to protect the rights and interests of inter-state migrant workers and prevent their exploitation.

• **Equal Remuneration Act, 1976 (“ER Act”)**

The Equal Remuneration Act, 1976, of India mandates equal pay for equal work, prohibiting discrimination on grounds of gender in matters of wages and recruitment. The Act applies to all employers and requires them to ensure that men and women receive the same remuneration for performing the same or similar work. It also obligates employers to avoid any discriminatory practices during the recruitment process, ensuring opportunities are not restricted based on gender. The Act empowers the government to appoint authorities to hear and decide complaints and enforce compliance, thereby promoting gender equality in the workplace and striving to eliminate wage disparity between men and women in India.

ENVIRONMENT RELATED LAWS

Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an “umbrella”; legislation designed to provide a framework for coordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with “environment” defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

The Environmental Impact Assessment Notification, 2006 (the “Notification”)

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central Government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central Government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme ‘Housing for All by 2022’ and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant byelaws of the concerned State authorities.

The Water (Prevention and Control of pollution) Act, 1974 (the “Water Act”)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an

air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

The Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

Chemical Accidents (Emergency Planning, Preparedness, and Response) Rules, 1996

The Chemical Accidents (Emergency Planning, Preparedness, and Response) Rules, 1996, were established in India under the Environment Protection Act, 1986, to address and mitigate risks associated with chemical accidents. These rules mandate the formation of emergency planning and response frameworks at the local, state, and central levels to ensure preparedness and effective management of chemical emergencies. Key provisions include the creation of on-site and off-site emergency plans, establishment of crisis groups at various administrative levels, and mandatory reporting and information dissemination regarding hazardous chemicals. The rules also emphasize the importance of regular safety audits, mock drills, and training programs to enhance the preparedness of all stakeholders, including industrial units, local authorities, and the public, thereby aiming to minimize the impact of chemical accidents on human health and the environment.

CORPORATE AND COMMERCIAL LAWS

The Companies Act, 2013

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entities as companies. The Act provides regulatory and compliance mechanisms 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 lays 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.

Competition Act, 2002

The Competition Act, 2002 came into effect on June 1, 2011 and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulate “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of contract and effects of breach of a contract. The Act consists of limiting factors subject to which a contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which a promise made by the parties to a contract shall be legally binding on them.

The Consumer Protection Act, 2019

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressed forums set up under the Act.

Negotiable Instruments Act, 1881

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonour of cheques a criminal offence if the cheque is dishonoured on the ground of insufficiency of funds in the account maintained by a person who draws the Cheque which is punishable with imprisonment as well as fine.

The Registration Act, 1908 (“Registration Act”)

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

Indian Stamp Act, 1899 (the “Stamp Act”)

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

Municipality Laws

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Arbitration and Conciliation Act, 1996

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals,(b) Insolvency Professional Agencies and (c) Information Utilities.

INDUSTRY-SPECIFIC LEGISLATION

The Public Liability Insurance Act, 1991

The Public Liability Insurance Act places responsibility on those who own or control hazardous substances for any damage resulting from accidents involving such substances. A roster of hazardous substances falling under the scope of this law is outlined through government notifications. The owner or handler of these substances is additionally mandated to acquire an

insurance policy that covers liability in connection with the act. Rules established under the Public Liability Act dictate that the employer is obligated to contribute to the environmental relief fund, an amount equivalent to the premium paid for insurance policies. This contribution is payable to the insurer.

The Insecticides Act, 1968 and Rules, 1971

The Insecticides Act, 1968, and the accompanying Insecticides Rules, 1971, are key regulatory frameworks in India aimed at controlling the import, manufacture, sale, transport, distribution, and use of insecticides with the goal of preventing risk to human beings or animals and ensuring their safety and efficacy. This legislation mandates the compulsory registration of insecticides with the Central Insecticides Board and the granting of licenses for their manufacture, sale, and distribution. It also prescribes stringent labelling requirements, packaging norms, and guidelines for safe handling and usage. The Act empowers authorities to conduct inspections, seize non-compliant products, and enforce penalties for violations, thereby safeguarding public health and the environment from the adverse effects of harmful chemicals.

TAX RELATED LEGISLATIONS

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

The Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

INTERNATIONAL TRADE RELATED LEGISLATION

Foreign Trade (Development and Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992, is a key piece of legislation in India designed to facilitate, develop, and regulate foreign trade. This Act provides the legal framework for the formulation of trade policies, including export and import policies, by the Central Government. It empowers the government to regulate and control exports and imports, with provisions for licensing, restrictions, and prohibitions on certain goods and services to ensure the country's economic security and interests. The Act also establishes mechanisms for the enforcement of trade regulations and includes penalties for violations to ensure compliance. Overall, it aims to promote a stable and conducive environment for international trade, supporting India's economic growth and integration into the global economy.

Customs Act, 1962

The Customs Act, 1962 of India is a comprehensive legislation enacted to regulate the import and export of goods into and out of the country. This Act empowers the Central Board of Indirect Taxes and Customs (CBIC) to levy and collect customs duties on imported and exported goods, ensuring compliance with national trade policies. It outlines the procedures for the clearance of goods, warehousing, and the valuation of imported goods for duty purposes. The Act also provides measures to prevent the

illegal import and export of goods, such as smuggling, and imposes penalties and fines for violations. Additionally, it includes provisions for the enforcement of trade embargoes and international agreements, facilitating lawful international trade and protecting domestic industries.

The Export Import Policy (EXIM Policy), 1992

The Export Import Policy (EXIM Policy) of India, officially known as the Foreign Trade Policy (FTP), is a comprehensive framework established by the Government of India to regulate and promote international trade in goods and services. The policy aims to enhance the country's export performance, improve trade competitiveness, and ensure the efficient import of essential goods and technologies. It outlines various incentives, schemes, and procedural guidelines to facilitate exporters and importers, such as the Merchandise Exports from India Scheme (MEIS) and the Service Exports from India Scheme (SEIS). The EXIM Policy also incorporates measures to simplify customs procedures, reduce transaction costs, and promote strategic trade relationships. Regularly updated, the policy reflects India's commitment to integrate with the global economy, boost domestic manufacturing, and achieve balanced economic growth.

INTELLECTUAL PROPERTY LEGISLATIONS

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

- The Patents Act, 1970
- The Trade Marks Act, 1999

Indian Patents Act, 1970

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

Trade Marks Act, 1999 (“TM Act”)

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

HISTORY AND CORPORATE STRUCTURE

Brief history of our Company

Our Company was originally incorporated as a private limited Company under the name of “Asha Resins Private Limited” on August 20, 1993 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra bearing registration number as 073569. Thereafter, our Company was converted from private limited to public limited, pursuant to a special resolution passed by the shareholders of our Company on July 03, 2024 and the name of the Company was changed from “Asha Resins Private Limited” to “Asha Resins Limited” dated September 18, 2024 vide fresh certificate of incorporation dated September 23, 2024, issued by the Registrar of Companies, Pune, Maharashtra. The Corporate identification number of our Company is U99999MH1993PLC073569.

Kiran Mohanlal Karnawat, Asha Mohanlal Karnavat, Vikas Mohanlal Karnavat, Sunita Sanjay Karnavat were the initial subscribers to the Memorandum of Association of our Company.

Address of the Registered Office and Factory Unit

Registered Office & Manufacturing Unit	Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105
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Changes in Registered Office of the Company

Except as disclosed below, there has been no change in our Registered Office since incorporation.

Effective date	From	To	Reason for change
Not Traceable	1232, Bhawani Peth, Pune, Maharashtra, India- 411 002	1232, Bhawani Peth, Pune, Maharashtra, India- 411 042	Change in Pin Code of the Registered office of the Company*
September 24, 2024	1232, Bhawani Peth, Pune, Maharashtra, India- 411 042	Gat No. 227/2A/P Dhanore, Khed, Dhanore, Pune, Khed, Maharashtra, India, 412105	For Administration Convenience

* The form filed with the RoC for the said changed in the Pincode is not available with either the RoC or the Company. These details have been inserted here based on information from other records available with the company.

Main Objects of Memorandum of Association.

The main objects of our Company as contained in our Clause III(A) of Memorandum of Association of our Company are as follows:

To carry on the business of manufacturers of and dealers in the heavy fine chemicals such as acids, alkalies, synthetic amonia, fertilizers, chromates, litharge, lithophone, zinc oxide, barytes, lead nitrate, lead acetate, chlorine, bleaching powder, caustic soda, Ion exchange resins etc.

To carry on the business of manufacturing, processing, refining, importing, exporting, buying, selling and dealing (whether wholesale or retail) in chemicals, heavy chemicals, petrochemicals, fine chemicals, organic and mineral intermediates, photographic chemicals, chemical products, metals, non-metals, acids, gases, salt and its by-products, alkalies, fertilizers and chemicals, dyes and dye intermediates, paints, pigments, varnishes, Ion exchange resins, natural and synthetic polymers, rubber chemicals, colour minerals, pharmaceutical products etc.

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	Amendments
Not Traceable *	EGM	Increased in the authorized share capital of the Company from ₹10.00 Lakhs divided into 10,000 Equity Shares of ₹ 100/- each to ₹15.00 Lakhs divided into 15,000 Equity Shares of ₹100/- each
April 20, 2024	EGM	To amend the Memorandum of Association (MoA) of the Company by way of adopting new set of Memorandum of Association in line with the provisions of the Companies Act, 2013
April 25, 2024	EGM	Sub-division of Equity Shares from ₹15.00 Lakhs divided into 15,000 Equity Shares of ₹ 100/- each to ₹15.00 Lakhs divided into 1,50,000 Equity Shares of ₹10/- each
April 30, 2024	EGM	Increase in the authorized share capital of the Company from ₹15.00 Lakhs divided into 15,000 Equity Shares of ₹10/- each to ₹15.00 Crores divided into 1,50,00,000 Equity Shares of ₹10/- each
July 03, 2024	EGM	Change in the Memorandum and Article of Association of the Company due to the conversion of the Company from private limited to limited.

* The form filed with the RoC for the said matter is not available with either the RoC or the Company. These details have been inserted here based on information from other records available with the company

Major events and milestones 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
2015-16	Started new vertical for manufacturing of Oil field Chemicals and received order from ONGC
2018-19	Crossed Revenue of Rs. 1,000 lakhs
2024	Got approval for oil field chemical from Oil India Limited

Our holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries, Associates, and Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiaries or associates or joint ventures.

Strategic or Financial Partnerships

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic or financial partnerships.

Time and Cost Overruns in Setting up Projects

There has been no time/ cost overrun in setting up projects by our Company.

Other details about our Company

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of plants, 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, 173 and 75 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 119 and 55 of the Draft Red Herring Prospectus respectively.

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.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc.

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Revaluation of assets in the last 10 years

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus

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.

Agreement with key managerial personnel or Directors or Promoter or any other employee of the Company

There are no agreements entered into by key managerial personnel or Directors or Promoter 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.

Other Material Agreements

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.

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, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships/LLPs
<p>Kiran Mohanlal Karnawat</p> <p>Designation: Chairman & Managing Director</p> <p>Age: 54 years</p> <p>Date of Birth: November 25, 1969</p> <p>Address: S. No 587/A B-901 1 Hyde Park CHS, Near Gangadham Chowk, Bibvewadi, Pune, Maharashtra-411 037.</p> <p>Experience: 30 Years</p> <p>Occupation: Business</p> <p>Qualification: Bachelor of Engineering in Chemical Branch.</p> <p>Current Term: For a period of three years with effect from September 20, 2024 liable to retire by rotation</p> <p>Period of Directorship: Since incorporation</p> <p>DIN: 01820067</p>	<p>Companies: Nil</p>
<p>Seema Kiran Karnawat</p> <p>Designation: Whole-time Director & CFO</p> <p>Age: 48 years</p> <p>Date of Birth: January 13, 1976</p> <p>Address: S. No 587/A B-901 1 Hyde Park, Near Gangadham Chowk, Bibvewadi, Pune, Maharashtra-411 037.</p> <p>Experience: 11 Years</p> <p>Occupation: Business</p> <p>Qualification: Bachelor of Commerce</p> <p>Current Term: For a period of three years with effect from September 20, 2024 liable to retire by rotation</p> <p>Period of Directorship: Appointed as Additional Director with effect from September 16, 2024 and regularization and redesignated as Whole Time Director of the Company in the Extra Ordinary General Meeting held on September 21, 2024.</p>	<p>Companies: Nil</p>

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships/LLPs
<p>DIN: 08121162</p> <p>Sneha Kiran Karnawat</p> <p>Designation: Non-Executive Director</p> <p>Age: 24 years</p> <p>Date of Birth: December 12, 1999</p> <p>Address: B-901 1 Hyde Park SNO, 587/A/B, Bibvewadi, Market Yard, Pune Maharashtra-411 037.</p> <p>Experience: 9 Months</p> <p>Occupation: Employment</p> <p>Qualifications: Master of Science in User Experience Design from Kingston University.</p> <p>Current Term: For a period of three years with effect from September 20, 2024; liable to retire by rotation</p> <p>Period of Directorship: Appointed as Additional Director with effect from September 03, 2024 and regularization and redesignated as Non-Executive Director in the Extra Ordinary General Meeting held on September 21, 2024.</p> <p>DIN: 10766761</p>	<p>Companies: Nil</p>
<p>Keval Rasiklal Mehta</p> <p>Designation: Independent Director</p> <p>Age: 53 years</p> <p>Date of Birth: June 24, 1971</p> <p>Address: 1101M, Urban Balance, D.P Road, 17, 1/2 Nali, Hadapsar, Behind Hotel Siddeshwar, Pune, Maharashtra- 411 028</p> <p>Experience: 31 years</p> <p>Occupation: Employment</p> <p>Qualification: MBA</p> <p>Current Term: Appointed for a term upto 5 years commencing from September 21, 2024</p> <p>Period of Directorship: From September 21, 2024</p> <p>DIN: 10766761</p>	<p>Firm: Soltech Auto Enterprises LLP</p>
<p>Jitendra Uttamchand Lodha</p> <p>Designation: Independent Director</p>	

Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN	Other directorships/LLPs
<p>Age: 56 years</p> <p>Date of Birth: June 13, 1968</p> <p>Address: 692/1/6, Swapnil Bunglow, Satara Road, Near Kalyani Society, Bibwewadi, Pune, Maharashtra- 411 037.</p> <p>Experience: XX years</p> <p>Occupation: Employment</p> <p>Qualification: Doctor of Medicine</p> <p>Current Term: For a period of 5 years with effect from September 21, 2024; not liable to retire by rotation</p> <p>Period of Directorship: From September 21, 2024</p> <p>DIN: 10416277</p>	<p>Companies:</p> <ul style="list-style-type: none"> • Pune E-Stock Broking Limited • Homoeocon Foundation

Brief Profile of Directors:

1. **Kiran Mohanlal Karnawat** is the Chairman & Managing Director of our Company. He has been on the Board since incorporation. He is a visionary entrepreneur and has played a pivotal role in setting up and expanding business operations of our Company. He has total work experience of over 30 years in the chemical industry. He has completed his Bachelor of Engineering in chemical branch from the University of Poona in the year 1990. He currently looks after the overall management of the Company. Under his guidance, our Company has witnessed continuous growth.
2. **Seema Kiran Karnawat** is the Whole-time Director & CFO of our Company. She has been on the Board since 2018. She has completed her Bachelor of Commerce Master of Commerce from Shivaji University in 1995. She has an experience of around 11 years in the industry. She is currently looking after the Finance & Accounts Department our Company.
3. **Sneha Kiran Karnavat** is the Non-Executive Director of our Company. She has an experience of around 9 months in the IT Sector. He has completed her Master of Science in User Experience Design from Kingston University in year 2023.
4. **Keval Rasiklal Mehta** is the Independent Director of our Company. He has a work experience of around 31 in Sales & Marketing. He has completed his Master of Business Administration (MBA) from Shivaji University, Kolhapur in the year 1998.
5. **Jitendra Uttamchand Lodha** is the Independent Director of our Company. He has a work experience of around 30 years in the field of Healthcare Industry. He has completed his Doctor of Medicine in Homeopathic from Dr Babasaheb Ambedkar Marathwada University.

Confirmations:

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares has been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c) None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.

- d) None of our Directors is declared as fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

Arrangements with major Shareholders, Customers, Suppliers or Others:

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

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors:

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on September 21, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have authorized to borrow monies 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 may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100.00 Crore.

Compensation of our Managing Director & Whole-time Director:

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director & Whole time Director:

1. Kiran Mohanlal Karnawat, Chairman & Managing Director

Pursuant to the resolutions passed by our Board and our Shareholders on September 20, 2024 and September 21, 2024 respectively, Kiran Mohanlal Karnawat was appointed as Chairman & Managing Director for a period of three years with effect from September 20, 2024 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 75 Lakh p.a.

2. Seema Kiran Karnawat: Whole-time Director

Pursuant to the resolutions passed by our Board and our Shareholders on September 20, 2024 and September 21, 2024 respectively Seema Kiran Karnawat was appointed as Whole-time Director for a period of three years with effect from September, 20 2024 at a remuneration, which is to be given by way of salary, dearness allowance, perquisites and other allowances or any other combination thereof which shall not exceed ₹ 60 lakhs p.a.

Payments or benefits to Directors:

The remuneration paid to our Directors in Fiscal 2024 is as follows:

Name of Director	Remuneration paid in F.Y. 2023-24 (₹ in lakhs)
Kiran Mohanlal Karnawat	30.00
Seema Kiran Karnawat	24.00
Asha Mohanlal Karnawat	15.00

Bonus or Profit Sharing Plan for our Directors:

We have no bonus or profit sharing plan for our Directors.

Sitting Fees:

Our Board of Directors have resolved in their meeting dated September 23, 2024 for payment of sitting fees to Directors (including independent directors) of the Company, such sum as may be decided by the Board of Directors which shall not exceed ₹ 1,00,000/- (Rupees One Lakh Only) per meeting of the Board or Committee thereof, attended by such director.

Shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Directors	No. of Shares Held	Holding in % (pre-issue)
1.	Kiran Mohanlal Karnawat	67,10,000	73.33%
2.	Seema Kiran Karnawat	9,15,000	10.00%
3.	Sneha Kiran Karnawat	2,43,997	2.67%
	Total	78,68,997	83.00%

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

We do not have any Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled **“Our Management”** beginning on page 119 of this Draft Red Herring Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to **“Statement of Financial Indebtedness”** on page 172 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Interest of Directors in the property of Our Company:

Our directors do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing the Draft Red Herring Prospectus with RoC:-

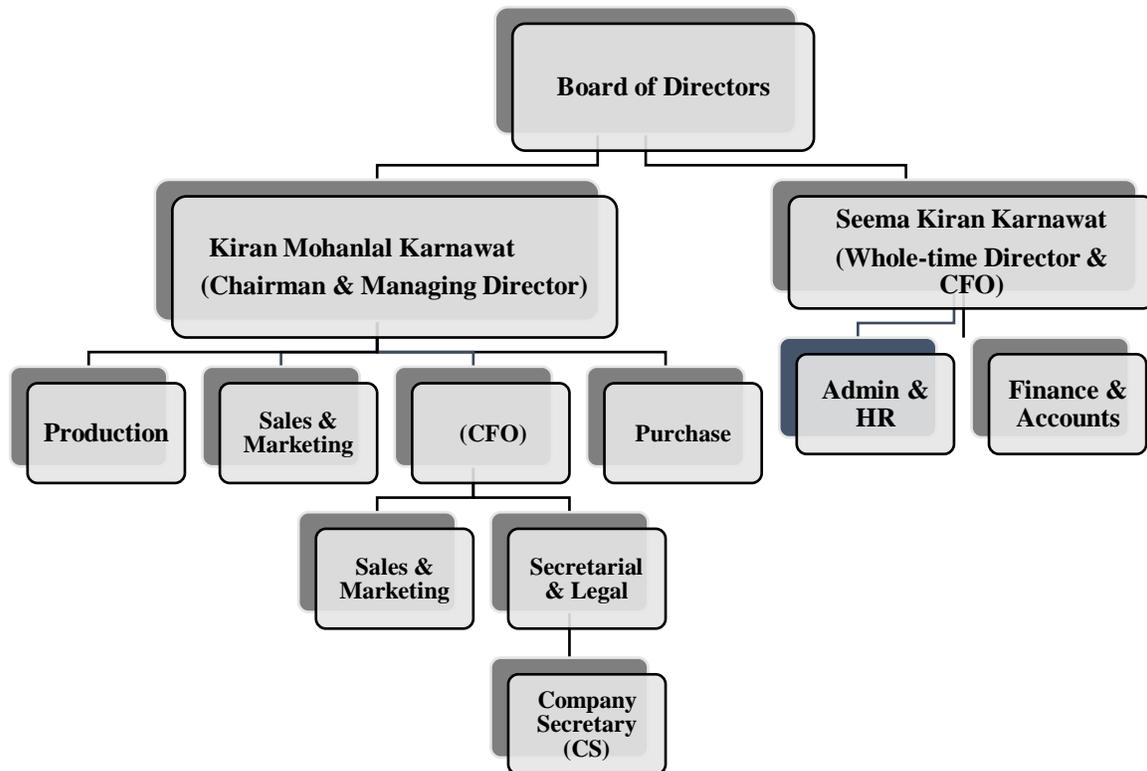
Except as stated in this section **“Our Management”** or the section titled **“Financial information of the Company –Note Z - Related Party Disclosure”** beginning on page 119 and 139 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Changes in Board of Directors in Last 3 Years:

Name	Designation (at the time of appointment/ Change in designation / Cessation)	Date of Appointment/ Change designation/ Cessation	Reason
Seema Kiran Karnawat	Cessation from the post of Director of the Company	September 03, 2024	Due to pre occupation in another task
Sneha Kiran Karnawat	Appointed as Additional Director	September 03, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013.
Seema Kiran Karnawat	Appointed as Additional Director	September 16, 2024	
Seema Kiran Karnawat	Regularized as Director of the Company	September 21, 2024	
Kiran Mohanlal Karnawat	Change in the from Director to Managing Director designation and appointed as Chairman of the Company.	September 20, 2024	
Seema Kiran Karnawat	Re-designation from Director to Whole Time Director	September 20, 2024	
Asha Mohanlal Karnawat	Cessation from the post of Director of the Company	September 20, 2024	
Keval Rasiklal Mehta	Appointed as Independent Director	September 21, 2024	
Jitendra Uttamchand Lodha	Appointed as Independent Director	September 21, 2024	

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME platform of NSE (NSE EMERGE). The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of five (5) directors of which two (2) are Independent Directors, and we have one women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

1. Audit Committee

Our Company has formed an Audit Committee, vide Board Resolution dated September 23, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) Rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Keval Rasiklal Mehta	Chairman	Independent Director
Jitendra Uttamchand Lodha	Member	Independent Director
Kiran Mohanlal Karnawat	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure of the committee:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee:

The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

C. Power of the Committee:

The Audit Committee shall have powers, including the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) To have full access to information contained in records of Company.

D. Role of the Committee:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

- 2) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 3) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 4) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 5) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 6) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications and modified opinions in the draft audit report.
- 7) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 8) 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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 9) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 10) Scrutiny of inter-corporate loans and investments;
- 11) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 12) Evaluation of internal financial controls and risk management systems;
- 13) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 14) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 15) 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;
- 16) Discussing with internal auditors on any significant findings and follow up thereon;
- 17) 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;
- 18) Discussing 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;
- 19) Looking 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;
- 20) Reviewing the functioning of the whistle blower mechanism;
- 21) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 22) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 23) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 24) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Further, the Audit Committee shall mandatorily review the following:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;

- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

2. Stakeholders Relationship Committee

Our Company has formed an Stakeholders Relationship Committee vide Board Resolution dated September 23, 2024, 2024 as per the applicable provisions of the Section 178(5) of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulations. The Stakeholders Relationship Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Keval Rasiklal Mehta	Chairman	Independent Director
Jitendra Uttamchand Lodha	Member	Independent Director
Kiran Mohanlal Kannawat	Member	Managing Director

The scope and function of the Committee and its terms of reference shall include the following:

i. Tenure of the committee:

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

ii. Meetings of the committee:

The Stakeholders Relationship Committee shall meet at least once a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The Chairman of the Stakeholders Relationship Committee shall be present at the Annual General Meeting to answer queries of the securities holders. The Quorum shall be two members present.

iii. Terms of Reference:

The role of the Stakeholders Relationship Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company;
5. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;

10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

3. Nomination and Remuneration Committee

Our Company has formed a Nomination and Remuneration Committee vide Board Resolution dated September 23, 2024, as per the applicable provisions of the Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Keval Rasiklal Mehta	Chairman	Independent Director
Jitendra Uttamchand Lodha	Member	Independent Director
Sneha Kiran Karnawat	Member	Non-Executive Director

The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure of the committee:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings of the committee:

The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration.

C. Role of Terms of Reference:

The role of the Nomination and Remuneration Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its

- committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
 10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
 11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
 12. analyzing, monitoring and reviewing various human resource and compensation matters;
 13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
 15. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of Joining	Remuneration paid for F.Y. ended 2023-24 (in ₹ Lakhs)	Overall experience (in years)	Previous employment
Kiran Mohanlal Karnawat Designation: Chairman & Managing Director Educational Qualification: Bachelor of Engineering in Chemical Term of office: For a period of three years with effect from September 20, 2024; liable to retire by rotation	54	1993	30.00	30	-
Seema Kiran Karnawat Designation: Whole-time Director Educational Qualification: B. Com Term of office: For a period of three years with effect from September 20, 2024; liable to retire by rotation	48	2018	24.00	11	-
Seema Kiran Karnawat Designation: Chief Financial Officer Educational Qualification: B. Com	48	2024	-	11	-
Harshada Rohan Petka Designation: Company Secretary and Compliance Officer Educational Qualification: Company Secretary	34	2024	-	7	Swanad Pathak & Associates

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Kiran Mohanlal Karnawat - Please refer to section “Brief Profile of our Directors” beginning on page 119 of this Draft Red Herring Prospectus for details.

Seema Kiran Karnawat - Please refer to section “**Brief Profile of our Directors**” beginning on page 119 of this Draft Red Herring Prospectus for details.

Seema Karnawat is the Chief Financial Officer of our Company. She has completed her Bachelor of Commerce from Shivaji University in 1995. She has over 11 years of experience in Accounts & Finance. She has been appointed as Chief Financial Officer of our Company with effect from September 20, 2024. She is currently responsible for handling the accounts of the Company.

Harshada Rohan Petkar is the Company Secretary and Compliance officer of our Company. She is the member of Institute of Company Secretaries of India. She has an experience of over 7 years in the secretarial matters. She looks after the overall corporate governance and secretarial matters of our Company. She has been appointed as Company Secretary and Compliance Officer of our Company with effect from September 23, 2024.

We confirm that:

- a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- c. None of our KMPs except Kiran Mohanlal Karnawat and Seema Kiran Karnawat are also part of the Board of Directors.
- d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the six months period ended September 30, 2024.
- e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f. Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except:

Sr. No.	Name of the KMP's	No. of Shares held
1	Kiran Mohanlal Karnawat	67,10,000
2	Seema Kiran Karnawat	9,15,000
	Total	76,25,000

- h. Presently, we do not have ESOP/ ESPS scheme for our employees.
- i. The turnover of KMPs is not high, compared to the Industry to which our company belongs.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

The Directors and KMPs of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr. No.	Name of the Director/ KMP	Relationship with other Directors/ KMP's
1.	Kiran Mohanlal Karnawat	Husband of Seema Kiran Karnawat and Son of Asha Mohanlal Karnawat
2.	Seema Kiran Karnawat	Wife of Kiran Mohanlal Karnawat
3.	Sneha Kiran Karnawat	Daughter of Kiran Mohanlal Karnawat and Seema Kiran Karnawat

Payment of benefits to officers of Our Company (non-salary related)

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Name	Designation (at the time of appointment/ Change in designation/ Cessation)	Date of Appointment/ Change in designation/ Cessation	Reason
Kiran Mohanlal Karnawat	Appointed as Chairman and Managing Director.	September 20, 2024	To ensure better Corporate Governance and compliance with Companies Act, 2013
Seema Kiran Karnawat	Re-designated as Whole-time Director	September 20, 2024	
Seema Kiran Karnawat	Appointed as Chief Financial Officer	September 20, 2024	
Harshada Rohan Petkar	Appointed as Company Secretary & Compliance Officer	September 23, 2024	

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled “*Financial information of the Company – Note Z- Related Party Disclosures*” beginning on page 139 of this Draft Red Herring Prospectus.

Interest of Directors and KMP’s in the property of Our Company:

Our directors and KMP’s do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing the Draft Red Herring Prospectus with RoC:-

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/ availed by Directors/ Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/ KMPs and for details of transaction entered by them in the past please refer to “*Annexure W – Related Party Disclosures*” page 167 of this Draft Red Herring Prospectus.

ESOP/ ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ ESPS Scheme for our employees.

OUR PROMOTERS & PROMOTER GROUP

Our Promoters:

The promoters of our Company are Kiran Mohanlal Karnawat, Seema Kiran Karnawat, Asha Mohanlal Karnavat, Sneha Kiran Karnawat

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 91,49,997 Equity shares of our Company, representing 99.99% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoter's shareholding in our Company, see "*Capital Structure-Capital Build-up in respect of Shareholding of our Promoters*", on page 55 of this Draft Red Herring Prospectus.

Details of our Promoters:

	Kiran Mohanlal Karnawat –Chairman & Managing Director	
	Qualification	Bachelor of Engineering in Chemical Branch.
	Age	54 years
	Date of Birth	November 25, 1969
	Address	S. No 587/A B-901 1 Hyde Park CHS, Near Gangadham Chowk, Bibvewadi, Pune, Maharashtra-411 037
	Experience	30 years
	Occupation	Business
	PAN	ACDPK5409L
	No. of Equity Shares &% of Shareholding (Pre-Issue)	67,10,000 Equity Shares aggregating to 73.33% of Pre-Issue Paid up Share Capital
	Other Ventures	Directorship in other Companies: Nil Partnership Firm: Nil HUF: Karnavat Kiran Mohanlal
	Seema Kiran Karnawat– Whole Time Director	
	Qualification	Bachelor of Commerce
	Age	48 years
	Date of Birth	January 13, 1976
	Address	S. No 587/A B-901 1 Hyde Park, Near Gangadham Chowk, Bibvewadi, Pune, Maharashtra-411 037
	Experience	11 Years
	Occupation	Business
	PAN	AMZPK7236M
	No. of Equity Shares &% of Shareholding (Pre-Issue)	9,15,000 Equity Shares aggregating to 10% of Pre-Issue Paid up Share Capital



Other Ventures

Directorship in other Companies: Nil
Partnership Firm: Nil
HUF: Nil
Proprietorship: Nakoda water care systems

	Asha Mohanlal Karnavat– Non Executive Director	
	Qualification	Uneducated
	Age	75 years
	'Date of Birth	October 03, 1948
	Address	A-902, Swayambhu Hills, Bibvewadi, Vardhamanpuram Society, Pune, Maharashtra-411 037.
	Experience	31 years
	Occupation	Business
	PAN	ABFPK3398H
	No. of Equity Shares &% of Shareholding (Pre-Issue)	12,81,000 Equity Shares aggregating to 14% of Pre-Issue Paid up Share Capital
	Other Ventures	Directorship in other Companies: Nil Partnership Firm: Nil HUF: Nil
		Sneha Kiran Karnawat– Non Executive Director
Qualification		Master of Science in User Experience Design from Kingston University.
Age		24 years
'Date of Birth		December 12, 1999
Address		B-901 1 Hyde Park SNO, 587/A/B, Bibvewadi, Market Yard, Pune Maharashtra-411 037
Experience		09 months
Occupation		Employment
PAN		GZKPK4803E
No. of Equity Shares &% of Shareholding (Pre-Issue)		2,43,997 Equity Shares aggregating to 2.67% of Pre-Issue Paid up Share Capital
Other Ventures		Directorship in other Companies: Nil Partnership Firm: Nil HUF: Nil

For brief biography of our Promoters, please refer to Chapter titled “**Our Management**” beginning on page 119 of this Draft Red Herring Prospectus.

Confirmations/ Declarations:

In relation to our individual Promoters, our Company confirms that the PAN, bank account number, passport number, aadhaar card number and driving license number shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus. And, in relation to our corporate promoter, our Company confirms that the PAN, bank account number and the company registration numbers and addresses of the registrar of companies where our Corporate Promoters are registered shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus.

Undertaking/ Confirmations:

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on page 182 of this Draft Red Herring Prospectus.
- None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Interest of our Promoters:

i) Interest in promotion and shareholding of Our Company:

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by him and his relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Kiran Mohanlal Karnawat, Seema Kiran Karnawat, Asha Mohanlal Karnawat and Sneha Kiran Karnawat collectively holds 91,49, 997 Equity Shares in our Company i.e., 99.99% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to ***Annexure W – “Related Party Transactions”*** beginning on page 167 of this Draft Red Herring Prospectus.

For details regarding the shareholding of our Promoter in our Company, please see ***“Capital Structure”*** on page 55 of this Draft Red Herring Prospectus.

ii) Interest in the property of Our Company:

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus:

iii) In transactions for acquisition of land, construction of building and supply of machinery:

None of our promoters or directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

iv) Other Interests in our Company:

For transactions in respect of loans and other monetary transactions entered in past please refer Annexure W - “Related Party Transactions” on page 167 forming part of “Financial Information of the Company” of this Draft Red Herring Prospectus.

Further, our promoter may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** and ***“Financial Information of Our Company”*** on page 172 and 139 respectively of this Draft Red Herring Prospectus.

Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoters and Promoter Group, please refer to the paragraph ***“Compensation of our Chairman”*** in the chapter titled ***“Our Management”*** beginning on page 119 also refer ***Annexure W- “Related Party Transactions”*** on page 167 forming part of ***“Financial Information of the Company”*** and Paragraph on ***“Interest of Promoters”*** in chapter titled ***“Our Promoter and Promoter Group”*** on page 132 of this Draft Red Herring Prospectus.

Companies/ Firms with which our Promoters have disassociated in the last (3) three years

Our promoters Asha Mohanlal Karnawat has resigned from the post of directorship with effect from September 20, 2024 and Seema Kiran Karnawat resigned from the post of Directorship with effect from September 03, 2024 due to the pre-occupation in other task

Further, Seema Kiran Karnawat reappointed as additional director with effect from September 16, 2024 and regularized and redesignated as whole-time director of the company in the extra ordinary general meeting held on September 21, 2024.

Other ventures of our Promoters

Save and except as disclosed in this section titled “*Our Promoters & Promoter Group*” beginning on page 132 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 182 of this Draft Red Herring Prospectus.

Experience of Promoters in the line of business

Our Promoters, Kiran Mohanlal Karnawat, Seema Kiran Karnawat, Asha Mohanlal Karnawat and Sneha Kiran Karnawat has an overall experience of around 30 years, 11 years and 30 years in the industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “*Annexure W - Related Party Transactions*” on page 167 of this Draft Red Herring Prospectus.

Except as stated in “*Annexure W - Related Party Transactions*” beginning on page 167 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

OUR PROMOTER GROUP:

In addition to the Promoters, the following individual and entities are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship with Promoters	Name of the Relatives			
	Kiran Mohanlal Karnawat	Seema Kiran Karnawat	Asha Mohanlal Karnawat	Sneha Kiran Karnawat
Father	Mohanlal Dhanraj Karnavat	Ghodawat Jaychand Khivraj	Late Mansukhlal Kapurchand Khater	Kiran Mohanlal Karnawat
Mother	Asha Mohanlal Karnavat	Mangal Jaychand Ghodawat	Late Raj Kunwar Khater	Seema Kiran Karnawat
Spouse	Seema Kiran Karnawat	Kiran Mohanlal Karnawat	Mohanlal Dhanraj Karnavat	-
Brother	Sanjay Mohanlal Karnavat	Sachin Jaychand Ghodawat	Amolakchand Kapoorchand Khater	Veeram Kiran Karnawat
	Vikas Mohanlal Karnavat	Deepak Jaychand Ghodawat	Mangesh Kapoorchand Khater	

Relationship with Promoters	Name of the Relatives			Sneha Kiran Karnawat
	Kiran Mohanlal Karnawat	Seema Kiran Karnawat	Asha Mohanlal Karnavat	
Sister			Palaria Pushpa Bhavarlal	-
			Nirmala Kiran Borana	-
Son	Veeram Kiran Karnawat	Veeram Kiran Karnawat	Sanjay Mohanlal Karnavat	-
			Vikas Mohanlal Karnavat	-
			Kiran Mohanlal Karnavat	-
Daughter	Sneha Kiran Karnawat	Sneha Kiran Karnawat	-	-
Spouse's Father	Ghodawat Jaychand Khivraj	Mohanlal Dhanraj Karnavat	-	-
Spouse's Mother	Mangal Jaychand Ghodawat	Asha Mohanlal Karnavat	-	-
Spouse's Brother	Sachin Jaychand Ghodawat	Sanjay Mohanlal Karnavat	-	-
	Deepak Jaychand Ghodawat	Vikas Mohanlal Karnavat	-	-

2. Corporate Entities or Firms forming part of the Promoter Group

Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities forms part of our Promoter Group:

S.N.	Relationship	Name of Entities
1	Any Body corporate in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	-
2	Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital	-
3	Any HUF or Trust or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 20% of the total	Karnavat Kiran Mohanlal

3. Other Persons included in Promoter Group:

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. Pleas Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the last three financial years to the date of the filing of this Draft Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

FINANCIAL INFORMATION OF THE COMPANY
ANNEXURE-I
RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

PARTICULARS	Annexure No.	As at the Period/Year ended		
		31-Mar-2024	31-Mar-2023	31-Mar-2022
A) EQUITY AND LIABILITIES				
1. Shareholders' Funds				
(a) Share Capital	A	15.00	15.00	15.00
(b) Reserves & Surplus		1400.97	1028.02	813.63
(c) Money received against share warrants		-	-	-
		1415.97	1043.02	828.63
2. Non Current Liabilities				
(a) Long Term Borrowings	B, B(A), B(B)	-	-	-
(b) Deferred Tax Liabilities (Net)	C	12.91	12.68	12.60
(c) Long Term Provisions	D	12.56	11.92	9.46
		25.47	24.60	22.06
3. Current Liabilities				
(a) Short Term Borrowings	B, B(A), B(B)	-	-	5.84
(b) Trade Payables	E	142.36	143.82	307.20
(i) total outstanding dues of micro enterprises and small enterprises; and		47.16	6.43	19.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		95.20	137.39	287.95
(c) Other Current Liabilities	F	18.21	21.82	25.04
(d) Short Term Provisions	F	229.63	167.41	137.76
		390.20	333.04	475.83
Total		1831.64	1400.67	1326.53
B) ASSETS				
1. Non Current Assets				
(a) Property, Plant & Equipment and Intangible Assets				
i) Tangible Assets		207.65	207.42	191.28
ii) Intangible Assets				
iii) Capital Work in Progress		161.98	0.00	0.00
	G	369.63	207.42	191.28
(b) Non-Current Investment	H	472.53	443.19	497.44
(c) Deferred Tax Assets (Net)	C	-	-	-
(d) Long Term Loans and Advances	H	117.57	63.08	86.09
(e) Other Non Current Assets	H	1.61	0.61	0.30
		591.71	506.89	583.84
2. Current Assets				
(a) Current Investments				
(b) Inventories	I	105.22	112.05	81.27
(c) Trade Receivables	J	380.86	345.65	320.38
(d) Cash and Cash equivalents	K	179.08	137.51	65.38
(e) Short-Term Loans and Advances	L	53.81	3.07	4.29
(f) Other Current Assets	M	151.34	88.08	80.10
		870.31	686.36	551.42
Total		1831.64	1400.67	1326.53

ANNEXURE- II
RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

PARTICULARS		Annexure No.	For the Period/Year ended on		
			31-Mar-2024	31-Mar-2023	31-Mar-2022
1	Revenue From Operation	N	1640.56	1902.04	1597.76
2	Other Income	O	59.73	34.22	31.45
3	Total Income (1+2)		1700.29	1936.27	1629.21
4	Expenditure				
(a)	Cost of Material Consumed	P	939.57	1192.79	991.63
(b)	Purchases of Stock in Trade	P	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	Q	(23.70)	(2.50)	(18.55)
(d)	Employee Benefit Expenses	R	166.89	159.41	159.16
(e)	Finance Cost	S	1.66	2.64	2.58
(f)	Depreciation and Amortisation Expenses	T	19.83	17.59	16.70
(g)	Other Expenses	U	94.31	279.74	236.17
5	Total Expenditure 4(a) to 4(d)		1198.56	1649.66	1387.68
6	Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)		501.73	286.60	241.53
7	Exceptional item		-	-	-
8	Profit/(Loss) Before Tax (6-7)		501.73	286.60	241.53
9	Tax Expense:				
(a)	Tax Expense for Current Year		128.54	72.18	62.55
(b)	Deferred Tax		0.23	0.08	1.38
	Net Current Tax Expenses		128.78	72.26	63.93
10	Profit/(Loss) for the Year (8-9)		372.95	214.34	177.60
11	Earnings Per Equity Share (EPES)				
	Basic EPS (in ₹)		4.08	2.34	1.94
	Diluted EPS (in ₹)		4.08	2.34	1.94

ANNEXURE- III
RESTATED STANDALONE CASH FLOW STATEMENT

(₹ in lakhs)

PARTICULARS		For the Period/Year ended on		
		31-03-2024	31-03-2023	31-03-2022
A) Cash Flow From Operating Activities:				
Net Profit before tax		501.73	286.60	241.53
Adjustment for:				
Depreciation		19.83	17.59	16.70
Interest Paid		0.01	0.21	0.73
Discount received		0.00	(1.03)	(0.46)
Provision of Gratuity		0.79	2.81	11.08
Interest Income		(53.07)	(32.27)	(30.84)
Adjustment with the Retained earnings				
Operating profit before working capital changes		469.28	273.92	238.74
Changes in Working Capital				
(Increase)/Decrease in Inventory		6.83	(30.78)	(46.42)
(Increase)/Decrease in Trade Receivables		(35.21)	(25.27)	(44.85)
(Increase)/Decrease in Short Term Loans & Advances and Provisions		(50.74)	1.22	(0.99)
(Increase)/Decrease in Other Current Assets		(63.26)	(7.98)	(32.18)
Increase/(Decrease) in Trade Payables		(1.46)	(162.35)	92.03
Increase/(Decrease) in Other Current Liabilities		(3.61)	(3.22)	15.36
Increase/(Decrease) in Short Term Provisions		5.72	19.66	37.67
Cash generated from operations		327.54	65.20	259.36
Less:- Income Taxes paid		(72.18)	(62.50)	(70.41)
Net cash flow from operating activities	A	255.36	2.70	188.95
B) Cash Flow From Investing Activities:				
Increment in Fixed Assets including CWIP		(182.03)	(33.73)	(21.02)
Proceeds from Sale of Fixed Assets		-	-	-
Investment in Mutual Fund		(0.06)	-	-
Increase/(Decrease) in Long Term Loans and Advances		(54.49)	23.01	10.95
Increase/(Decrease) in Other Non-Current Assets		(1.00)	(0.31)	0.00
Increase/(Decrease) in Non-Current Investment		(29.27)	54.25	(172.73)
Interest Income		53.07	32.27	30.84
Net cash flow from investing activities	B	(213.78)	75.49	(151.95)
C) Cash Flow from Financing Activities:				
Proceeds from Issue of Share Capital		-	-	0.00
Proceeds from Securities Premium		-	-	0.00
Repayment of Short-Term Borrowings		0.00	(5.84)	0.00
Interim Dividend and Dividend Distribution Tax Paid		-	-	-
Repayments of Long-Term Borrowings		0.00	0.00	(6.53)
Interest Paid		(0.01)	(0.21)	(0.73)
Net cash flow from financing activities	C	(0.01)	(6.05)	(7.26)
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C)	41.57	72.13	29.74
Cash equivalents at the beginning of the year		137.51	65.38	35.64
Cash equivalents at the end of the year		179.08	137.51	65.38

Notes:

Component of Cash and Cash equivalents	31-03-2024	31-03-2023	31-03-2022
Cash on hand	1.30	0.71	0.51
Balance With banks	177.78	136.81	64.86
	179.08	137.51	65.38

ANNEXURE-IV
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL INFORMATION

1. Corporate Information

Asha Resins Limited (CIN: U99999MH1993PLC073569) having registered office at Gat No. 227/2A/P, Dhanore, Khed, Pune, Maharashtra -412105. The company was incorporated on August 20, 1993 and is a public limited company. The company has authorized capital of Rs. 15,00,00,000. The Company is engaged in the business of manufacturing of Water & waste water treatment chemicals and Sugar Process Chemicals.

2. Summary of significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The Restated Standalone Statement of Assets and Liabilities of the Company as on March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Standalone Statement of Profit and Loss and Restated Standalone Statements of Cash Flows for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the annexure thereto (collectively, the “**Restated Standalone Financial Statements**”) have been extracted by the management from the Audited Standalone Financial Statements of the Company.

The standalone financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The standalone financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of Standalone Financial Statements have been consistently applied.

2.2 Use of estimates

The preparation of standalone financial statements in conformity with Indian GAAP requires the Management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. The Management believes that the estimates used in preparation of the standalone 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 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Net turnover is determined as income from the supply of goods and services, Revenue is shown net of GST & applicable discount. Sale of goods and services is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from interest income is recognized as accrued at applicable rate. Other items of income are accounted as and when the right to receive arises.

2.4 Inventories

Stock in trade, stores and spares are valued at the lower of cost or net realizable value. Cost is determined on First in First out basis.

2.5 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Property, Plant and Equipment comprises its purchase price, borrowing

cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

2.6 Depreciation

Depreciation on Property, Plant and Equipment has been provided on the Straight-Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. except for certain fixed assets where useful life is considered higher based on management's estimates.

2.7 Revaluation of Property, Plant and Equipment

As per the Management's view of the company, the figures reported in Standalone Financial statements of the relevant financial year for Property, Plant and Equipment, is demonstrating a true and fair view. So, the Company has not revalued its Property, Plant, and Equipment during the relevant financial year and disclosure requirement as to "whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017" is not applicable to the company.

2.8 Title deeds of Immovable Property not held in name of the Company

The company does not have any Immovable Property of which title deed is not held in name of the company at any time during the relevant financial year.

2.9 Capital work-in-progress

For Capital Work in progress, the following schedule is given:

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	161.98	-	-	-	161.98

(₹ in lakhs)

2.10 Intangible assets under development

There is no intangible assets under development of Company is standing as on reporting date. Therefore, the disclosure requirement regarding Intangible assets under development is not applicable to the company.

2.11 Employee benefits

2.11.1 Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

2.11.2 Defined contribution plans

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expense in Statement of Profit & Loss.

2.11.3 Defined Benefit Plans:

Gratuity is defined benefit plan payable at the end of the employment and is provided for on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gain and loss for defined benefit plan is recognized in full in the period in which it occur in the statement of profit and loss.

2.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the Total number of equity shares outstanding during the year, For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the Total number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.13 Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the income tax authorities in accordance of the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the tax rates and the tax law enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient further taxable income will be available against which such deferred tax assets can be realized.

2.14 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss is recognized in prior accounting period is reversed if there has been change in the estimates of recoverable amount.

2.15 Provisions and contingencies

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.16 Material Events

Material events occurring after the Balance Sheet date in relation to conditions existing as at the Balance Sheet date is taken into cognizance.

2.17 Capital Advances

The company does not have any capital advance except as disclosed in the balance sheet as on date received by the company during the period.

2.18 Investments

Long-term investments, if any are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Any reduction in carrying amount and any reversal of such reductions are charged or credited to the statement of profit & loss a/c.

2.19 Borrowing Costs

Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are included to the extend they relate to the period till such assets are ready to be put to use. Other borrowing costs are charged to Profit & Loss account in the year in which they are incurred.

2.20 Statement of current assets filed with banks and financial institutions for borrowing facilities

The company has not availed any Working capital credit facility on security of any current asset.

2.21 Relationship with Struck-off Companies

The company has not entered in any transactions with companies struck off under section 248 of the Companies Act, 2013. Therefore, the disclosure requirement regarding relationship with Struck-off companies is not applicable to the company.

2.22 Wilful Defaulter

The company has not been declared as a willful defaulter by any bank or financial institution or other lender at any time.

2.23 Registration of charges or satisfaction with Registrar of Companies

The company has neither registered nor satisfied any charges with Registrar of Companies during the year.

2.24 Details of Benami Property held

No proceeding has been initiated or pending against the company for holding any Benami property specified under Benami Transaction (Prohibition) Act 1988 and rules made thereunder.

2.25 Loans or Advances to promoters, directors, KMPs and the related parties

The company has granted Loans or Advances in the nature of loans, to its related parties (as defined under the Companies Act, 2013,) which is disclosed as below:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Party	75.07	43.80%

2.26 Compliance with approved Scheme(s) of Arrangements

The Company has not entered in any Scheme of Arrangements which required to approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013. So, the requirement to disclose the effect of such Scheme of Arrangements in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards and deviation in this regard, is not applicable to the company.

2.27 Compliance with number of layers of companies

The company has no ultimate Subsidiary Company. So, the requirement to disclose the effect of such compliance with number of layers of companies is not applicable to the company

2.28 Utilization of Borrowed funds and share premium

The company has availed working capital credit facility of Rs. 160 Lakhs from HDFC Bank on security of Fixed Deposits during the year. All funds raised have not been utilized for the purpose for which it was raised. Further the company has issued 90,00,000 bonus shares of Rs. 10/- per share and has utilized the Surplus in Profit & Loss Account of Rs. 900.00 Lakhs for this purpose.

A. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED STANDALONE FINANCIAL STATEMENTS

There was no change in accounting policies, which needs to be adjusted in the Restated Standalone Financial Statement.

B. NOTES ON RESTATEMENTS MADE IN THE RESTATED STANDALONE FINANCIAL STATEMENTS

1. The Standalone financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited Standalone financial statements for the relevant years.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.
3. **Employee Benefits:**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

GRATUITY

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
1.The amounts recognized in the Balance Sheet are as follows:			
Present value of unfunded obligations Recognized	14.68	13.89	11.08
Net Liability	14.68	13.89	11.08
2.The amounts recognized in the Profit & Loss A/c are as follows:			
Current Service Cost	0.88	0.91	0.00
Interest on Defined Benefit Obligation	1.01	0.80	0.00
Expected Return on Plan Assets			
Net actuarial losses (gains) recognized in the year	(1.10)	1.11	0.00
Total, Included in "Salaries, Allowances & Welfare"	0.79	2.81	11.08
3.Changes in the present value of defined benefit obligation:			
Defined benefit obligation as at the beginning of the year Net of Fair Value of Opening Plan Assets	13.89	11.08	0.00
Service cost	0.88	0.91	0.00
Interest cost	1.01	0.80	0.00
Expected Return on Plan Assets	-	-	-
Net actuarial losses (gains) recognised in the year	(1.10)	1.11	0.00
Benefit paid by the Company			
Defined benefit obligation as at the end of the year	14.68	13.89	11.08
Benefit Description			
Benefit type:	Gratuity Valuation as per Act		
Retirement Age:	60 years	60 years	60 years
Vesting Period:	5 years	5 years	5 years
The principal actuarial assumptions for the above are:			
Future Salary Rise:	5.00% P.A.	5.00% P.A.	5.00% P.A.

Discount rate per annum:	7.25% P.A.	7.50% P.A.	7.50% P.A.
Attrition Rate:	10% Per Annum		
Mortality Rate:	IALM 2012-14 Ultimate		

4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective year except as mentioned in Annexure -Y, for any of the years covered by the statements.

5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – W of the enclosed financial statements.

6. Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year is reported as under:

Particulars	For the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	(65.99)	(64.28)	(61.15)
Deferred Tax Assets/(Liabilities) (A)	(16.61)	(16.18)	(15.39)
Provision of Gratuity as at the year end	14.68	13.89	11.08
Timing Difference Due to Gratuity Expenses and Leave Encashment	14.68	13.89	11.08
Deferred Tax Assets/(Liabilities) (B)	3.69	3.50	2.79
Timing Difference Due to disallowance u/s 43B(h)	-	-	-
Deferred Tax Assets/(Liabilities) (C)	-	-	-
Cumulative Balance of Deferred Tax Assets/(Liabilities) (Net) (A+B+C)	(12.91)	(12.68)	(12.60)

7. Earnings Per Share (AS 20):

Particulars	For the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	(65.99)	(64.28)	(61.15)
Deferred Tax Assets/(Liabilities) (A)	(16.61)	(16.18)	(15.39)
Provision of Gratuity as at the year end	14.68	13.89	11.08
Timing Difference Due to Gratuity Expenses and Leave Encashment	14.68	13.89	11.08
Deferred Tax Assets/(Liabilities) (B)	3.69	3.50	2.79
Timing Difference Due to disallowance u/s 43B(h)	-	-	-
Deferred Tax Assets/(Liabilities) (C)	-	-	-
Cumulative Balance of Deferred Tax Assets/(Liabilities) (Net) (A+B+C)	(12.91)	(12.68)	(12.60)

8. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

9. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

10. Amounts in the financial statements

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

11. Auditors Qualification-

Details of Auditors qualifications and their impact on restated financial statement is given below.

- a) Qualification which required adjustment in restated financial statements- NIL
- b) Qualification which does not require adjustment in restated financial statements – NIL

NOTES ON ADJUSTMENTS

- 1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.
- 3) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
- 5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

ANNEXURE-V
MATERIAL ADJUSTMENTS (AS PER THE SEBI (ICDR) REGULATION)

Appropriate adjustments have been made in the restated standalone financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited standalone financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under.

Statement of adjustments in the Financial Statements

Reconciliation of Surplus in Profit and Loss Account

Particulars	For the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
Reserves and Surplus as per audited accounts but before adjustments for restated accounts:	1404.11	1041.55	825.06
Adjustment in DTA/DTL	0.55	0.36	(0.35)
Adjustment in Provision for tax	(3.69)	-	-
Provision for Gratuity booked as per AS -15 (Revised)	-	13.89	11.08
Reserves and Surplus after adjustments	1400.97	1028.02	813.63
Reserves and Surplus as per Restated Accounts:	1400.97	1028.02	813.63

Reconciliation of Profit and Loss after Tax

The reconciliation of Profit after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

Particulars	For the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
Net Profit after Tax as per audited accounts but before adjustments for restated accounts:	362.56	216.45	189.03
Short/(Excess) Provision for Deferred Tax Assets/(Liabilities)	0.20	0.71	(0.35)
Income tax adjustment for earlier years now adjusted in reserve & surplus	(3.69)		
Provision for Gratuity booked as per AS -15 (Revised)	13.89	(2.81)	(11.08)
Net Profit After Tax after adjustments:	372.95	214.34	177.60
Net Profit After Tax as per Restated Accounts:	372.95	214.34	177.60

a) Adjustment on account of Provision of Deferred Tax Assets:

Due to changes in assumptions and reclassification of timing difference of certain items the deferred tax liability and deferred tax assets was recalculated at the end of respective year ended at the rate of normal tax rate applicable for the respective year in the restated standalone financial statements. For more details refer table of Reconciliation of Statement of Profit and loss after tax as above.

b) Adjustment of Prior Period Expenses:

During the restatement Income tax expenses of prior period in all the restated years have been regrouped & adjusted in reserve & surplus. In restated standalone financial statements, accounting adjustments are made to previously issued standalone financial statements to correct errors or reflect new information. Regrouping typically involves moving certain financial items from one category to another for better presentation or to comply with accounting standards. Adjusting in reserve and surplus suggests that these expenses were accounted for in a different manner to ensure accuracy and transparency in the financial reporting.

c) Adjustment for compliance of AS-15 (Employee Benefits):

During the restatement, Actuarial valuation of gratuity was made for all the restated periods and provision for gratuity was expensed in the profit and loss account of the restated standalone financial statement in compliance with the Accounting Standard-15 (Employee Benefits).

For, S.R. Goyal & Co.
Chartered Accountant
FRN: 001537C

Sd/-

Ajay Kumar Atolia
(Partner)
M. No. 077201
Place: Jaipur
Date: September 21, 2024
UDIN: 24077201BKEQFW7153

ANNEXURE-A
RESTATED STANDALONE STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Share Capital			
Authorised Share Capital			
No of Equity shares of Rs.100 each	15,000	15,000	15,000
Equity Share Capital	15.00	15.00	15.00
Issued, Subscribed and Paid up Share Capital			
No of Equity Shares of Rs. 100 each fully paid up	15,000	15,000	15,000
Equity Share Capital	15.00	15.00	15.00
Total	15.00	15.00	15.00
Reserves and Surplus			
A. Securities Premium account			
Opening Balance	-	-	-
Add: Changes during the year	-	-	-
Closing Balance	-	-	-
B. Surplus in Profit and Loss account			
Opening Balance	1028.02	813.63	636.03
Add: Profit for the Year	372.95	214.34	177.60
Add: Income Tax Refund	-	0.05	0.00
Closing Balance	1400.97	1028.02	813.63
Total (A+B)	1400.97	1028.02	813.63

1. Terms/rights attached to equity shares:

- The company has only one class of shares referred to as equity shares having a par value of Rs. 100/- as at 31st March, 2024.
 - Each holder of equity shares is entitled to one vote per share.
 - In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
 - Company does not have any Revaluation Reserve.
 - The reconciliation of the number of Equity shares outstanding as at: -

Particular	31-03-2024	31-03-2023	31-03-2022
Number of shares (Face value Rs 100) at the beginning	15,000	15,000	15,000
Add: Issue of Shares by conversion of debentures (Face value Rs 100)	-	-	-
Add: Issue of Shares by conversion of share warrants (Face value Rs 100)	-	-	-
Add: Bonus Shares	-	-	-
Number of shares (Face value Rs 100) at the end of Period/year	15,000	15,000	15,000

- The detail of shareholders holding more than 5% of Total Equity Shares: -

Name of Shareholders	31-03-2024	31-03-2023	31-03-2022
Mr. Kiran M. Karnawat	11,000	11,000	11,000
Mrs. Asha M. Karnavat	2,100	2,100	2,100
Mrs. Seema K. Karnawat	1,500	1,500	1,500
Total	14,600	14,600	14,600

6. Shares held by promoters at the end of the respective year is as under: -

a) Shares held by promoters for the period ended 31st March, 2024

Promoter Name	No. of Shares (Face Value Rs. 100/- each)	% of total shares	% Change during the year
Mr. Kiran M. Karnawat	11,000	73.33%	0.00%
Mrs. Asha M. Karnavat	2,100	14.00%	0.00%
Mrs. Seema K. Karnawat	1,500	10.00%	0.00%
Total	14,600	97.33%	

b) Shares held by promoters for the year ended 31st March 2023

Promoter Name	No. of Shares (Face Value Rs. 100/- each)	% of total shares	% Change during the year
Mr. Kiran M. Karnawat	11,000	73.33%	0.00%
Mrs. Asha M. Karnavat	2,100	14.00%	0.00%
Mrs. Seema K. Karnawat	1,500	10.00%	0.00%
Total	14,600	97.33%	

c) Shares held by promoters for the year ended 31st March 2022

Promoter Name	No. of Shares (Face Value Rs. 100/- each)	% of total shares	% Change during the year
Mr. Kiran M. Karnawat	11,000	73.33%	0.00%
Mrs. Asha M. Karnavat	2,100	14.00%	0.00%
Mrs. Seema K. Karnawat	1,500	10.00%	0.00%
Total	14,600	97.33%	

d) Shares held by promoters for the year ended 31st March 2021

Promoter Name	No. of Shares (Face Value Rs. 100/- each)	% of total shares	% Change during the year
Mr. Kiran M. Karnawat	11,000	73.33%	0.00%
Mrs. Asha M. Karnavat	2,100	14.00%	0.00%
Mrs. Seema K. Karnawat	1,500	10.00%	0.00%
Total	14,600	97.33%	

7. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- B
RESTATED STANDALONE STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(₹ In lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Long Term Borrowings			
(Secured)			
(a) Term loans			
From Bank & Financial Institutions	-	-	-
Sub-total (a)	-	-	-
(Unsecured)			
(b) Term loans			
From Bank & Financial Institutions	-	-	-
From Others			
Sub-total (b)	-	-	-
(c) Loans and advances from related parties & shareholders (Unsecured)			
From Directors	-	-	-
From Relatives of Directors	-	-	-
Sub-total (c)	-	-	-
(d) Loans and advances from others (Unsecured)			
From Intercompany deposits	-	-	-
Sub-total (d)	-	-	-
Total (a+b+c+d)	-	-	-
Short Term Borrowings			
Secured			
Loan Repayable on Demand			
From Banks and Financial Institution	-	-	-
From Other Parties	-	-	-
Sub total (a)	-	-	-
Current Maturities of Long Term Debt	-	-	5.84
Sub Total (b)	-	-	5.84
Unsecured			
From Banks and Financial Institution	-	-	-
Sub Total (c)	-	-	-
Total (a+b+c)	-	-	5.84

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.
2. List of persons/entities classified as 'Promoters' and 'Promoter Group' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
3. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)

ANNEXURE- B(A)

RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS OF SECURED TERM LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose of Credit Facility	Sanctioned Amount (Lakhs Rs.)	Rate of interest	Prime Securities offered	Re-Payment Schedule		Moratorium (In Months)	Outstanding amount as on (as per Books) (Rs. Lakhs)		
					No of EMI (No of Months)	EMI Amount (Rs. In Lakhs)		31-03-2024	31-03-2023	31-03-2022
HDFC Bank	Overdraft Facility	5.00	11.75%	FIXED DEPOSIT, 50300617819755, FD FOR PSR EITH 15% AND & LC BG MARGIN IS 25%	NA	NA	Nil	-		
HDFC Bank	Vehicle Loan	30.00	7.75%	Hypothecated against vehicle	60 equated monthly instalments	0.60	Nil	-	-	5.84
Total								0.00	0.00	5.84

Notes:

1. Collateral Security for the working capital facility granted by HDFC Bank is as under:-

Fixed Deposit, 50300617819755, FD FOR PSR EITH 15% and & LC BG MARGIN IS 25%
Sanction Limit is as follows:

Particulars	Amount (in lakhs)
Fund Based: Overdraft Facility	5.00
Non-fund based: Bank Guarantee/ Letter of Credit	155.00

ANNEXURE- C
RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS)/ LIABILITIES

(₹ In lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	(65.99)	(64.28)	(61.15)
Deferred Tax Assets/(Liabilities) (A)	(16.61)	(16.18)	(15.39)
Provision of Gratuity as at the year end	14.68	13.89	11.08
Timing Difference Due to Gratuity Expenses	14.68	13.89	11.08
Deferred Tax Assets/(Liabilities) (B)	3.69	3.50	2.79
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)	(12.91)	(12.68)	(12.60)

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- D
RESTATED STANDALONE STATEMENT OF LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Provision for Employee Benefits			
Provision for Gratuity	12.56	11.92	9.46
Others	-	-	-
Total	12.56	11.92	9.46

ANNEXURE- E
RESTATED STANDALONE STATEMENT OF TRADE PAYABLES

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Trade Payables			
For Goods & Services			
Micro, Small and Medium Enterprises	47.16	6.43	19.25
Others	95.20	137.39	287.95
Total	142.36	143.82	307.20

- The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.
- Ageing of the Supplier, along with any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of age wise supplier balance is given below after considering from the date of transactions.

Trade Payables ageing schedule: As at 31st March, 2024:-

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	47.16	-	-	-	47.16
(ii) Others	89.20	5.88	0.11	-	95.20

(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March, 2023:-

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	6.43	-	-	-	6.43
(ii) Others	117.33	19.42	-	0.65	137.39
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March, 2022:-

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	19.25	-	-	-	19.25
(ii) Others	282.90	4.40	-	0.65	287.95
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

ANNEXURE- F

RESTATED STANDALONE STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT-TERM PROVISIONS

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Other Current Liabilities			
Accrued Interest but not due on borrowings	-	-	-
Statutory Payables	15.66	8.82	8.34
Advances Received from Customers	-	5.02	9.75
Security Deposits	-	-	-
Provision for expenses	2.54	7.98	6.94
Other Payables	-	-	-
Total	18.21	21.82	25.04
Short Term Provisions			
Provision for Employee Benefits	97.62	91.90	72.24
Provision for Gratuity	2.12	1.97	1.62
Compensated Absences	-	-	-
Total (A)	99.74	93.87	73.86
Other Provisions			
Income tax Provisions	128.54	72.18	62.55
Provision for Professional Fees	0.90	0.90	0.90
Provision for Auditor's Remuneration	0.45	0.45	0.45
Total (B)	129.89	73.53	63.90
Total (A+B)	229.63	167.41	137.76

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- G
RESTATED STANDALONE STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE
ASSETS FY 2021-22

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2021	Addition during the year	Deduction during the year	Value as at 31-03-2022	Value as at 01-04-2021	Addition during the year	Deduction during the year	Value as at 31-03-2022	WDV as on 31-03-2022	WDV as on 31-03-2021
Property, Plant and Equipment										
Tangible Assets										
Land - Free hold	3.17	-	-	3.17	-	-	-	-	3.17	3.17
Factory Building	130.49	0.27	-	130.76	23.11	4.13	-	27.25	103.51	107.38
Plant & Machinery	81.02	10.76	-	91.78	42.44	3.90	-	46.35	45.43	38.58
Solar Power Plant	12.62	-	-	12.62	3.96	2.40	-	6.36	6.27	8.66
Laboratory Equipment's	1.12	-	-	1.12	1.08	-	-	1.08	0.04	0.04
Electrical Installation	2.37	-	-	2.37	1.99	0.09	-	2.08	0.29	0.38
Furniture & Fixtures	1.91	-	-	1.91	1.49	0.04	-	1.53	0.37	0.42
Office Equipment's	-	0.30	-	0.30	0.00	0.02	-	0.02	0.28	-
Air Conditioner	1.00	-	-	1.00	0.35	0.19	-	0.54	0.46	0.65
Computer & Printer	10.71	1.87	-	12.58	6.21	2.17	-	8.38	4.20	4.50
Mercedes MH-12-PZ0892	33.37	-	-	33.37	10.19	3.17	-	13.36	20.01	23.18
Hyundai Grand I10	-	7.80	-	7.80	-	0.57	-	0.57	7.23	-
TOTAL	277.78	21.02	-	298.80	90.82	16.70	-	107.52	191.28	186.96
Previous Year	263.74	14.04	-	277.78	75.10	15.72	-	90.82	186.96	188.64

FY 2022-23

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2022	Addition during the year	Deduction during the year	Value as at 31-03-2023	Value as at 01-04-2022	Addition during the year	Deduction during the year	Value as at 31-03-2023	WDV as on 31-03-2023	WDV as on 31-03-2022
Property, Plant and Equipment										
Tangible Assets										
Land - Free hold	3.17	-	-	3.17	-	-	-	-	3.17	3.17
Factory Building	130.76	1.18	-	131.94	27.25	4.16	-	31.40	100.54	103.51
Plant & Machinery	91.78	13.71	-	105.49	46.35	4.62	-	50.97	54.52	45.43
Solar Power Plant	12.62	-	-	12.62	6.36	2.40	-	8.75	3.87	6.27
Laboratory Equipment's	1.12	-	-	1.12	1.08	-	-	1.09	0.03	0.04
Electrical Installation	2.37	-	-	2.37	2.08	0.09	-	2.17	0.20	0.29

Furniture & Fixtures	1.91	-	-	1.91	1.53	0.04	-	1.58	0.33	0.37
Office Equipment's	0.30	-	-	0.30	0.02	0.06	-	0.08	0.22	0.28
Air Conditioner	1.00	-	-	1.00	0.54	0.19	-	0.72	0.28	0.46
Computer & Printer	12.58	0.10	-	12.69	8.38	1.87	-	10.25	2.44	4.20
Merce des MH-12-PZ0892	33.37	-	-	33.37	13.36	3.17	-	16.53	16.84	20.01
Hyundai Grand I10	7.80	-	-	7.80	0.57	0.74	-	1.31	6.49	7.23
Tiagun Car	-	18.73	-	18.73	-	0.25	-	0.25	18.49	-
Total	298.80	33.73	-	332.53	107.52	17.59	-	125.11	207.42	191.28
Previous Year	277.78	21.02	-	298.80	90.82	16.70	-	107.52	191.28	186.96

FY 2023-24

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Value as at 01-04-2023	Addition during the period	Deduction during the period	Value as at 31-12-2023	Value as at 01-04-2023	Addition during the period	De du cti on du ri ng th e pe ri od	Value as at 31-12-2023	WDV as on 31-12-2023	WDV as on 31-03-2023
Property, Plant and Equipment										
Tangible Assets										
Land - Free hold	3.17	-	-	3.17	-	-	-	-	3.17	3.17
Factory Building	131.94	-	-	131.94	31.40	4.17	-	35.58	96.37	100.54
Plant & Machinery	105.49	19.00	-	124.49	50.97	5.62	-	56.59	67.90	54.52
Solar Power Plant	12.62	-	-	12.62	8.75	2.40	-	11.15	1.48	3.87
Laboratory Equipment's	1.12	-	-	1.12	1.09	-	-	1.09	0.03	0.03
Electrical Installation	2.37	-	-	2.37	2.17	0.09	-	2.26	0.11	0.20
Furniture & Fixtures	1.91	0.08	-	1.98	1.58	0.05	-	1.62	0.36	0.33
Office Equipment's	0.30	-	-	0.30	0.08	0.06	-	0.14	0.16	0.22
Air Conditioner	1.00	0.86	-	1.86	0.72	0.25	-	0.97	0.89	0.28
Computer & Printer	12.69	0.12	-	12.81	10.25	1.51	-	11.76	1.05	2.44
Merce des MH-12-PZ0892	33.37	-	-	33.37	16.53	3.17	-	19.70	13.68	16.84
Hyundai Grand I10	7.80	-	-	7.80	1.31	0.74	-	2.05	5.75	6.49
Tiagun Car	18.73	-	-	18.73	0.25	1.78	-	2.03	16.71	18.49
CAPITAL WORK IN PROGRESS										
WIP- Plant & Machinery	-	161.98	-	161.98	-	-	-	-	161.98	-
Total	332.53	182.03	-	514.56	125.11	19.83	-	144.93	369.63	207.42
Previous Year	298.80	33.73	-	332.53	107.52	17.59	-	125.11	207.42	191.28

ANNEXURE- H
RESTATED STANDALONE STATEMENT OF NON-CURRENT INVESTMENTS & LONG-TERM LOANS AND ADVANCES AND OTHER NON-CURRENT ASSET

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
NON-CURRENT INVESTMENTS			
Investment in Mirae Asset Cash Management Fund	0.05	0.05	0.05
Investment in ICICI Prudential Mutual Fund	0.06	0.00	0.00
Fixed Deposits			
-F.D.-Janata Sahakari Bank Ltd.	21.39	20.08	19.18
-F.D.- HDFC Bank	451.02	423.06	478.21
Total	472.53	443.19	497.44
LONG-TERM LOANS AND ADVANCES			
Unsecured, Considered Good unless otherwise stated			
Loans and Advances to Related Parties	75.07	26.08	51.08
Loans and Advances to Other Parties	42.50	37.00	35.01
Total	117.57	63.08	86.09
Other Non-current Assets			
-Deposits	1.61	0.61	0.30
Total	1.61	0.61	0.30

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.
2. The Company has given loans and advances to related parties during the above period.

ANNEXURE- I
RESTATED STANDALONE STATEMENT OF INVENTORIES

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Raw Materials	50.19	80.71	52.43
Work in Progress	16.43	12.48	2.95
Finished Goods	38.61	18.86	25.89
Total	105.22	112.05	81.27

1. Inventory has been physically verified by the management of the Company at the end of respective year.
2. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- J
RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Outstanding for a period exceeding six months (Unsecured and considered Good)			

From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	6.35	5.50
Others	46.18	20.40	39.94
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)			
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	334.68	318.90	274.94
Total	380.86	345.65	320.38

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.
2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
3. Ageing of the Trade receivable, along with any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

Trade Receivables ageing schedule as at 31st March 2024: -

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	334.68	46.18	-	-	-	380.86
(i) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March, 2023: -

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	318.90	26.75	-	-	0.00	345.65
(i) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March, 2022: -

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	274.94	45.44	-	-	-	320.38

(i) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

ANNEXURE- K
RESTATED STANDALONE STATEMENT OF CASH & CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)			
Balances with Banks in Current Accounts	177.78	136.81	64.86
Cash on Hand (As certified and verified by Management)	1.30	0.71	0.51
Other Bank Balances	-	-	-
Total	179.08	137.51	65.38

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- L
RESTATED STANDALONE STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Unsecured, Considered Good unless otherwise stated			
Security Deposits			
Loans and advances to related parties	-	-	-
Loans and Advances to Employees	1.91	2.07	3.20
Other Loans and Advances	51.90	1.00	1.09
Total	53.81	3.07	4.29

- The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.
- List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- The Company has not given any loans and advances to promoters, Directors, KMP's and other related parties during the above period.

ANNEXURE- M
RESTATED STANDALONE STATEMENT OF OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Balance with Revenue Authorities	141.72	86.88	78.90
Other Current Assets	9.62	1.20	1.20
Total	151.34	88.08	80.10

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- N
RESTATED STANDALONE STATEMENT OF TURNOVER

(₹ in lakhs)

Particulars	for the Period/Year ended on		
	31-03-2024	31-03-2023	31-03-2022
(i) turnover of products manufactured by the issuer (net of excise Duty)	1640.56	1901.43	1595.41
(ii) turnover of products traded in by the issuer; and			
* (iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above			
(iv) turnover in respect of Services supplied by the issuer	-	0.62	2.34
Total	1640.56	1902.04	1597.76

*As per information provided to us by the Issuer, there is no such item.

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- O
RESTATED STANDALONE STATEMENT OF NON-OPERATING INCOME

(₹ in lakhs)

Particulars	for the Period/Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Related and Recurring Income:			
(i) Interest income	34.90	22.59	21.42
(ii) Interest on deposits	18.17	9.68	9.42
(iii) Discount received	0.00	1.03	0.46
(ii) Foreign Exchange FFX A/c	2.33	0.51	0.16
(v) Interest on IT Refund	0.00	0.41	0.00
(vi) Other Income	0.62	0.00	0.00
Sub Total (a)	56.02	34.22	31.45
Non related and Non - Recurring Income:			
Short term capital gain on MF Debt	3.71	-	-
Sub Total (b)	3.71	-	-
Total (A+B)	59.73	34.22	31.45
% of Other Income with Profit Before Tax	11.91%	11.94%	13.02%

- The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
- The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE-P
RESTATED STANDALONE STATEMENT OF COST OF MATERIAL CONSUMED

(₹ in lakhs)

Particulars	for the period/year ended on		
	31-03-2024	31-03-2023	31-03-2022
Cost of Material Consumed			
Opening Stock of Raw Material	80.71	52.43	24.56
Add: Purchases of Raw Material	909.05	1221.07	1019.50
Less: Closing Stock of Raw Material	50.19	80.71	52.43
Total	939.57	1192.79	991.63

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE-Q
RESTATED STANDALONE STATEMENT OF CHANGES IN INVENTORIES

(₹ in lakhs)

Particulars	for the period/year ended on		
	31-03-2024	31-03-2023	31-03-2022
Closing Inventories			
Work-in-progress	16.43	12.48	2.95
Finished goods	38.61	18.86	25.89
Stock in Trade	-	-	-
Sub Total (A)	55.03	31.34	28.83
Opening Inventories			
Work-in-progress	12.48	2.95	3.47
Finished goods	18.86	25.89	6.82
Stock in Trade	-	-	-
Sub Total (B)	31.34	28.83	10.29
Changes in Inventories	(23.70)	(2.50)	(18.55)

1. The Inventory has been physically verified on periodic basis by the management.
2. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE-R
RESTATED STANDALONE STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Particulars	for the Period/Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Salary and Wages	90.67	82.26	73.79
Contribution to Provident Fund and Other Fund	4.50	5.03	4.61
Provision for Gratuity	0.79	2.81	11.08
Staff Welfare Expenses	1.93	0.30	0.68
Directors Remuneration	69.00	69.00	69.00
Total	166.89	159.41	159.16

ANNEXURE-S
RESTATED STANDALONE STATEMENT OF FINANCE COST

(₹ in lakhs)

Particulars	for the Period/Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Interest expense	0.01	0.21	0.73
Other Borrowing cost	1.65	2.42	1.84
Total	1.66	2.64	2.58

ANNEXURE- T
RESTATED STANDALONE STATEMENT OF DEPRECIATION & AMORTISATION

Particulars	for the Period/Year ended on		
	31-03-2024	31-03-2023	31-03-2022
Depreciation and Amortization Expenses	19.83	17.59	16.70
Total	19.83	17.59	16.70

ANNEXURE- U
RESTATED STANDALONE STATEMENT OF OTHER EXPENSES

(₹ in lakhs)

Particulars	for the Period/Year ended on		
	31-03-2024	31-03-2023	31-03-2022
DIRECT EXPENSES			
Manufacturing Expenses	56.97	64.02	62.42
Total (a)	56.97	64.02	62.42
INDIRECT EXPENSES			
Rent, Rates and Taxes	1.23	1.45	2.14
Insurance Expenses	0.68	0.56	1.08
Payment Auditors			
-Statutory Auditors	0.50	0.50	0.50
-Tax Auditors	1.00	1.00	1.00
Sales Commission Expense	5.98	139.27	124.16
Miscellaneous Expenses	27.95	72.94	44.87
Total (b)	37.34	215.72	173.75
TOTAL (c=a+b)	94.31	279.74	236.17
Miscellaneous Expenses			
Selling and Administrative Expenses	-	-	-
Effluent Disposable Charges	1.85	0.50	0.25
Water & Electricity Expenses	0.42	2.61	0.67
Business promotion expenses	0.00	5.80	0.41
Legal and Professional Fees	5.22	14.02	11.29
Internet Expenses	0.42	0.40	0.38
MPCB Consenting Fee	0.00	-	0.50
Lab Expenses	0.44	0.28	1.19
Office Expenses	1.58	4.49	2.16
Repair and Maintenance Expenses	6.76	17.97	14.57
Pollution Board Fees	0.00	1.15	0.00
Comp. Repairs & Maintenance	0.00	0.02	0.00
Corpt. Environt. Resp. Expenses	2.15	5.67	0.00
Discount	0.23	0.00	0.00
Printing & Stationery	0.29	0.09	0.07
Postal charges	0.03	0.02	0.01
Telephone Exp	0.06	0.06	0.05
Vehicle running and maintenance	3.49	2.64	5.06
Travelling Exp.	4.38	6.19	7.89
Software Development Expenses	0.04	0.16	0.04
Technical Consultation Fees	0.50	10.66	0.00
Tender Fess	0.08	0.01	0.04
MVAT Paid	0.00	0.00	0.28
GST Paid	0.00	0.19	0.00
Professional Tax	0.03	0.03	0.03
Sub Total	27.95	72.94	44.87

ANNEXURE- V
RESTATED STANDALONE STATEMENT OF MANDATORY ACCOUNTING RATIOS

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Net Worth (A)	1415.97	1043.02	828.63
Restated Profit after tax	372.95	214.34	177.60
Less: Prior Period Item	-	-	-
Adjusted Profit after Tax (B)	372.95	214.34	177.60
Number of Equity shares (Face Value Rs 100) outstanding as on the end of Year	15,000	15,000	15,000
Weighted Average Number of Equity shares (Face Value Rs 100) after considering conversion of debentures (C)	15,000	15,000	15,000
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Bonus Issue of Shares (D)	91,50,000	91,50,000	91,50,000
Current Assets (E)	870.31	686.36	551.42
Current Liabilities (F)	390.20	333.04	475.83
Face Value per Share	100.00	100.00	100.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus)	4.08	2.34	1.94
Return on Net worth (%) (B/A)	26.34%	20.55%	21.43%
Net asset value per share (A/C) (Face Value of Rs. 100 Each) Based on actual number of shares	9,439.82	6,953.46	5,524.21
Net asset value per share (A/D) (Face Value of Rs. 100 Each) Based on Weighted average number of shares	15.48	11.40	9.06
Current Ratio (E/F)	2.23	2.06	1.16
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	461.83	270.18	227.50

Notes: -

1) The ratios have been computed as below:

- (a) Basic earnings per share (Rs.): - 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
 - (b) Diluted earnings per share (Rs.): - 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
 - (c) Return on net worth (%): - Net profit after tax (as restated) / Net worth at the end of the period or year
 - (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
 - (e) EBITDA has been calculated as Profit before Tax+ Depreciation+ Interest Expenses-Other Income
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the standalone restated summary statements.
- 5) 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.
- 6) Pursuant to the board resolution dated April 25, 2024, a sub-division of equity shares has been executed, reducing the face value from ₹100 per share to ₹10 per share. For the purpose of calculating Earnings Per Share (EPS) and Diluted Earnings Per Share (DEPS), the number of shares considered reflects the impact of this sub-division.
- 7) Pursuant to the Board resolution dated May 03, 2024, a bonus issue of 9,000,000 equity shares with a face value of ₹10 each has been authorized, in the ratio of 60:1, whereby shareholders will receive sixty (60) bonus equity shares for every one (1) equity share held. For the purpose of calculating Earnings Per Share (EPS) and Diluted Earnings Per Share (DEPS), the number of shares considered reflects the impact of this bonus issue.

ANNEXURE- W
RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTION

List of Related Parties as per AS-18: -

Particulars	Names of related parties	Nature of Relationship
Directors and Key Managerial Personnel (KMP)	Mr. Kiran M. Karnawat	Managing Director
	Mrs. Asha M. Karnavat	Non- Executive Director
	Mrs. Seema K. Karnawat	Whole Time Director and CFO w.e.f. 20.09.2024
	Harshada Rohan Petkar	Company Secretary w.e.f. 23.09.2024
Relatives of Key Managerial Personnel	Mr. Vikas M. Karnavat	Brother of Kiran M. Karnawat
	Mr. Veeram K. Karnawat	Son of Kiran M. Karnawat and Seema K. Karnawat
	Nakoda Water Care Systems	Proprietorship firm of Seema K. Karnawat
	Navkaar Distributor	Proprietorship firm of Brother of Seema K. Karnawat

(₹ in lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
(i) Transactions with Director and KMP			
A) Remuneration/Professional fees			
Mr. Kiran M. Karnawat	30.00	30.00	30.00
Mrs. Asha M. Karnavat	15.00	15.00	15.00
Mrs. Seema K. Karnawat	24.00	24.00	24.00
(ii) Transactions with Relatives of Key Managerial Personnel			
Salary			
Mr. Vikas M. Karnavat	10.00	12.00	12.00
Mr. Veeram K. Karnawat	2.50	3.00	3.00
Sales			
Nakoda Water Care Systems	0.94	25.27	17.68
Loans			
Navkaar Distributors	50.00	(25.00)	(26.04)
(v) Balance outstanding as at the end of the year			
Remuneration/Professional fee Payable			
Mr. Kiran M. Karnawat	7.63	11.08	15.36
Mrs. Asha M. Karnavat	32.63	22.99	13.52
Mrs. Seema K. Karnawat	20.34	27.86	23.04
Mr. Vikas M. Karnawat	31.45	23.10	13.24
Mr. Veeram K. Karnawat	-	2.58	2.58
Trade Receivables/(Trade Payables)/Advance to Suppliers/(Advance from Customers)			
Nakoda Water Care Systems	-	6.35	5.95
Long term Loans and Advances'			
Navkaar Distributors	75.07	25.07	50.07

- List of Related parties has been identified by the management and relied upon by the Auditor.
- In case there is no transaction with any of the above related parties, only name of such related parties has been disclosed as required by AS- 18.

ANNEXURE- X
RESTATED STANDALONE STATEMENT OF CAPITALISATION

(₹ in lakhs)

Particulars	Pre Issue	Post Issue*
Debt		

Short Term Debt	0.00	-
Long Term Debt	0.00	-
Total Debt	0.00	
Shareholders' Fund (Equity)		
Share Capital	15.00	-
Reserves & Surplus	1400.97	-
Less: Miscellaneous Expenses not w/off	-	-
Total Shareholders' Fund (Equity)	1415.97	
Long Term Debt/Equity		
	-	-
Total Debt/Equity	-	-

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 statement of Assets and Liabilities of the Company as at 31/03/2024.
4. * The corresponding post issue figures are not determinable at this stage.

ANNEXURE- Y
RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITES

(₹ in lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Contingent liabilities in respect of:			
Claims against the company not acknowledged as debts	-	-	-
Guarantees given on Behalf of the Company	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-
Total	-	-	-

The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

ANNEXURE- Z
RESTATED STANDALONE STATEMENT OF OTHER FINANCIAL RATIO

(₹ in lakhs)

Sr. No.	Ratio	31-Mar-24	31-Mar-23	31-Mar-22
1	Current Ratio (No of Times)	2.23	2.06	1.16
2	Debt Equity Ratio (No of Times)	-	-	0.01
3	Debt Service Coverage Ratio (No of Times)	64,815.95	38.36	29.69
4	Return On Equity Ratio (%)	30.33%	22.90%	24.01%
5	Inventory Turnover Ratio (In Days)	43	30	22
6	Trade Receivable Turnover Ratio (In Days)	81	64	68
7	Trade Payable Turnover Ratio (In Days)	47	64	90
8	Net Capital Turnover Ratio (No Of Times)#	3.94	8.87	22.63
9	Net Profit Ratio (%)	22.73%	11.27%	11.12%

10	Return On Capital Employed (%)	35.11%	27.17%	28.60%
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#Negative Ratio represent negative working capital as on the end of the respective period/year

Details of numerator and denominator for the above ratio are as under

(1) Current Ratio = Current Assets / Current Liabilities.

(2) Debt- equity ratio = Total debt / Shareholders' equity.

(3) Debt service coverage ratio = (Net Profit After Tax+ Depreciation+ Interest)/ (Principal + Interest).

(4) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.

(5) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.

(6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.

(7) Trade payables turnover ratio=Purchase/Average trade payables.

(8) Net Capital turnover ratio=Net sales/Average working capital.

(9) Net profit ratio=Net profit after taxes/Total Revenue.

(10) Return on capital employed=Earnings before interest and taxes/Capital employed.

(11) Return on investment/Total Assets=PAT/Total Assets.

ANNEXURE- AA
RESTATED STANDALONE STATEMENT OF TAX SHELTER

(₹ in lakhs)

Particulars	for the period/year ended on		
	31-03-2024	31-03-2023	31-03-2022
A Profit before taxes as restated	501.73	286.60	241.53
B Tax Rate Applicable %	25.168	25.168	25.168
C Tax Impact (A*B)	126.28	72.13	60.79
Adjustments:			
D Permanent Differences			
Expenses disallowed due to non - deduction of TDS	-	-	-
Expenses disallowed Under Section 36 of the IT Act 1961	0.00	-	-
Expenses disallowed Under Section 37 of the IT Act 1961	0.00	0.00	0.00
Income exempt u/s 10	0.00		
Total Permanent Differences	0.00	0.00	0.00
E Timing Difference			
Difference between tax depreciation and book depreciation	(1.71)	(3.12)	(4.07)
Expenses Disallowed Under Section 43 B	-	-	-
Expenses disallowed Under Section 40A(7) of the IT Act 1961	0.79	2.81	11.08
Total Timing Differences	(0.92)	(0.31)	7.01
Set off of Carried forwarded Business Losses			
F Net Adjustment (F) = (D+E)	(0.92)	(0.31)	7.01
G Tax Expenses/ (Saving) thereon (F*B)	(0.23)	(0.08)	1.76
H Tax Liability, After Considering the effect of Adjustment (C +G)	126.04	72.05	62.55
I Book Profit as per MAT *	Opted for	Opted for	Opted for
J MAT Rate	115BAA	115BAA	115BAA
K Tax liability as per MAT (I*J)	NA	NA	NA
L Current Tax being Higher of H or K	126.04	72.05	62.55

M	Interest U/s 234A, B and C of Income Tax Act	2.50	0.13	-
N	Total Tax expenses (L+M+N)	128.54	72.18	62.55
P	Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act, 1961

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledgement copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

2. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, standalone Statement of profits and losses and standalone Statement of cash flows appearing in Annexures IV, I, II and III.

OTHER FINANCIAL INFORMATION

The Audited Financial Statements of our Company for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 and their respective Audit reports thereon are available at www.asharesins.com

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (iii) Red Herring Prospectus or (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Restated Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Profit After Tax (₹ In Lakhs)	372.95	214.34	177.60
Basic & Diluted Earnings per Share	4.08	2.34	1.94
Return on Net Worth (%)	26.34%	20.55%	21.43%
Net Asset Value/Book Value per Equity share (Based on actual no. of share at the end of year)	9439.80	6953.47	5,524.20
Net Asset Value/Book Value per Equity share (Based on the Weighted Average number of Shares)	15.48	11.40	9.06
Earnings before interest, tax, depreciation and amortization (EBITDA) (₹ In Lakhs)	461.84	270.18	227.51

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors
ASHA RESINS LIMITED
1232, Bhawani Peth,
PUNE, Maharashtra,
India, 411042

Dear Sir,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Asha Resins Limited (CIN: U99999MH1993PLC073569)** (the “Company”), having registered office at above mentioned address and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on **31th March 2024** are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Rs. In Lakhs)

Name of Lender	Purpose	Loan/Agreement A/c No./Ref. No.	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31 th March 2024 as per Books
								Nil
Total Fund Based (A)								Nil
Total Non-Fund Based (B)								Nil
Grand Total (Fund & Non Fund Based) (A+B)								Nil

B. UNSECURED LOANS

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	Outstanding Amount as on March 31, 2024 as per Books (Rs. In Lakhs)
From Directors and Members:-				
				Nil
Share in Unsecured loans of Jointly Controlled Entity :-				
				Nil
GRAND TOTAL				Nil

SR Goyal & Co.
Chartered Accountants

Sd/-

Ajay Kumar Atolia
Partner
M.No. 077201
UDIN: 24077201BKEQFL6460
Date: 21/09/2024
Place: Jaipur

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled **“Financial Information of the Company”** beginning on page 139. You should also read the section titled **“Risk Factors”** on page 24 and the section titled **“Forward Looking Statements”** on page 18 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated September 21, 2024 which is included in this Draft Red Herring Prospectus under **“Financial Statements”**. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

BUSINESS OVERVIEW

We are engaged in the business of manufacturing of wide range of water and wastewater treatment chemicals. Our extensive product portfolio includes ion exchange resins, biocides, dispersants, polyelectrolytes, settling agents, color-removing chemicals, antiscalants, oxygen scavengers, hardness reducers, and cleaning chemicals, as well as sugar process chemicals, RO treatment chemicals, and fuel additives. Our products find diverse applications across various industries, particularly in water and wastewater treatment for sectors such as pharmaceuticals, oil and gas, chemicals, and textiles.

Ion Exchange resins are essential for treating water in various industries such as pharmaceuticals, oil & gas and energy. These are primarily used for water softening, which involves removing calcium and magnesium ions from hard water and replacing them with sodium ions, thereby softening the water. They are also utilized for deionization, a process that removes all ions from water to produce ultra-pure water, essential for industrial processes and pharmaceuticals. We offer both cation and anion exchange resins, allowing us to provide customized solutions that fit specific needs.

Further, we produce sugar process chemicals for sugar industry such as Evaporator antiscalant, Mill sanitation chemical, Viscosity reducer Scale softeners, and Colour precipitants etc. which enhance efficiency and improve the quality of the sugar production. For the Fiscal 2024, our revenue from operations stood at Rs, 1,640.56 lakhs of which revenue from Ion exchange resin & water treatment chemicals, sugar processing chemicals and others including Dispersant, Crosslinked Polymer, Deoiler, and Formulations etc. contributed 69.37%, 13.70% and 16.93% respectively.

Our manufacturing facility is situated at Pune, Maharashtra is spread across 65,000 square feet with an annual installed capacity of 1560 metric tonnes. It is equipped with various machines such as Polymerization Reactor, Mixing Reactor, Sulphonation reactor and Acid washing Dilutor etc. Our products are manufactured from raw materials such as Styrene Monomer, Divinyl Benzene, EDC, Oleum etc. Our products undergo through examination, testing and evaluation to ensure compliance with specified requirements. We have been granted ISO 9001:2015 for quality management system from QRO Certification LLP. Our products are marketed under the registered name of **“ASHAION”**. Currently, we market our products mainly in Maharashtra, Gujarat, Karnataka, and Telangana.

Our Company is managed by Mr. Kiran Mohanlal Karnawat who looks after the affairs of the Company and has considerable experience in this Industry. We believe our success is the result of sustained efforts over the years in key aspects of our business, such as products, process improvements and increased scale of operations. For more details, please see the chapter titled, **“Our Management”** on page 119 of this Draft Red Herring Prospectus.

Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations ⁽¹⁾	1,640.56	1,902.04	1,597.76
EBITDA ⁽²⁾	461.84	270.18	227.51

EBITDA Margin ⁽³⁾	28.15%	14.20%	14.24%
PAT ⁽⁴⁾	372.95	214.34	177.60
PAT Margin ⁽⁵⁾	22.73%	11.27%	11.12%
RoE(%) ⁽⁶⁾	30.33%	22.90%	24.01%
RoCE(%) ⁽⁷⁾	35.11%	27.17%	28.60%

Notes:

- (1) Revenue from operation means revenue from sales, service and other operating revenues
(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
(4) PAT is calculated as Profit before tax – Tax Expenses
(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
(7) Return on Capital Employed is ratio of Earning before Interest and Tax and Capital Employed

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to “*Annexure IV of Restated Financial Statements beginning*” on page 139 of this Draft Red Herring Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 24 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Performance of the chemicals industries in India;
2. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
3. Disruption in our manufacturing facilities.
4. Disruption in supply of Raw Materials;
5. Our ability to respond to technological changes;
6. Any change in government policies resulting in increases in taxes payable by us;
7. Changes in laws and regulations that apply to the industries in which we operate.
8. Our ability to grow our business;
9. General economic, political and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company’s ability to successfully implement its growth strategy and expansion plans;
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain necessary approvals, licenses, registrations and permits in a timely manner or at all;
14. Conflicts of interest with affiliated companies, the promoter group and other related parties;
15. Any adverse outcome in the legal proceedings in which we are involved;
16. Conflict of Interest with affiliated companies, the promoter group and other related parties; and
17. Global distress due to pandemic, war or by any other reason.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ in lakhs)

Particulars	For the financial period/ year ended					
	FY 2024-23	% of Total Income	FY 2023-22	% of Total Income	FY 2021-22	% of Total Income
Revenue From Operation	1,640.56	96.49%	1,902.04	98.23%	1,597.76	98.07%
Other Income	59.73	3.51%	34.22	1.77%	31.45	1.93%

Particulars	For the financial period/ year ended					
	FY 2024-23	% of Total Income	FY 2023-22	% of Total Income	FY 2021-22	% of Total Income
Total Income	1,700.29	100.00%	1,936.26	100.00%	1,629.21	100.00%
Expenses						
Cost of Material Consumed	939.57	55.26%	1,192.79	61.60%	991.63	60.87%
Purchase Of Stock in Trade	-	-	-	-	-	-
Changes in inventories of finished goods, Stock-In- Trade & Work in progress	(23.70)	(1.39%)	(2.50)	(0.13%)	(18.55)	(1.14%)
Employee Benefit Expenses	166.89	9.82%	159.41	8.23%	159.16	9.77%
Finance Cost	1.66	0.10%	2.64	0.14%	2.58	0.16%
Depreciation and Amortization Expenses	19.83	1.17%	17.59	0.91%	16.70	1.03%
Other Expenses	94.31	5.55%	279.74	14.45%	236.17	14.50%
Total Expenditure	1,198.56	70.49%	1,649.67	85.20%	1,387.69	85.18%
Profit/(Loss) Before Exceptional & extraordinary items & Tax	501.73	29.51%	286.59	14.80%	241.52	14.82%
Exceptional Item	-	-	-	-	-	-
Profit/(Loss) Before Tax	501.73	29.51%	286.59	14.80%	241.52	14.82%
Tax Expense:						
Current Year Tax	128.54	7.56%	72.18	3.73%	62.55	3.84%
Deferred tax liability/ (asset)	0.23	0.01%	0.08	-	1.38	0.08%
Profit/(Loss) for the Year	372.96	21.94%	214.33	11.07%	177.59	10.90%

Revenue from operations:

Revenue from operations mainly consists of sale of manufacturing of Ion Exchange Resin, Sugar Process Chemical and other chemicals.

Other Income:

Our other income primarily comprises of Interest, Discount Received, Foreign Currency Fluctuation Gain, short term gain on mutual fund and Misc. Income.

Expenses:

Company's expenses consist of Cost of raw material consumed, Change in inventories of finished goods, Stock-in-trade & work in progress, Employee benefits expense, Finance costs, Depreciation and amortization and other expenses.

Cost of material consumed:

Our Raw Material Consumption comprises of purchase of raw material and packing material.

Purchase of Stock in Trade:

Company has not purchased any stock for the purpose of trading during the last three years.

Changes in inventories of finished goods, Stock-In- Trade & Work in progress:

Our changes in the inventory comprises of Changes in inventories of Work in Progress and finished goods.

Employee benefits expense:

Our employee benefits expense comprises of Salaries and Wages, Staff Welfare, Directors Remuneration, Contribution to PF and Other fund and Gratuity Expense.

Finance Costs:

Our finance cost includes bank Interest expense on all types of bank charges.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Property, Plant & Equipment's, furniture, computers, Vehicles etc.

Other Expenses:

Our other expenses include Manufacturing Expense, Rent, Rates and Taxes, Insurance Expense, Payment to Auditors, Misc. Expense, Effluent Disposable Charges, Water & Electricity Expense, Business Promotion Expense, Legal and Professional Fee, Internet Expense, MPCB Consulting fee, Lab Expense, Office Expense, Repair & Maintenance Expense, Pollution Board Fee, Computer Repair & Maintenance, Corporate Environment Responsibility Expense, Discount, Printing & Stationary, Postal Charges, Telephone Expense, Vehicle Running & Maintenance, Travelling Exp. Software Development fee, Technical Consultation fee, Sales Commission Fees, Tender Fees, MVAT Paid, GST & Professional Tax.

Financial Year 2024 Compared to Financial Year 2023 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2023-24 stood at ₹ 1,700.29 Lakhs as compared to ₹ 1,936.27 Lakhs in Financial year 2022-23 representing an decrease of 12.19%. Such decrease was due to loss of some customers whose business was coming through Commission agent.

Revenue from Operations:

During the financial year 2023-24, the revenue from operations of our company decreased to ₹ 1640.56 Lakhs as against ₹ 1902.04 Lakhs in financial year 2022-23, representing an decrease of 13.75%. The main reason of decrease was due to loss of some customers whose business was coming through Commission agent.

Other Income:

During the financial year 2023-24, the other income of our company increased to ₹ 59.73 Lakhs as against ₹ 34.22 Lakhs in financial year 2022-23, representing an increase of 74.55%. The increase in other income was due to increase in Interest from ₹ 32.68 lakhs in the FY. 2022-23 as compared to ₹ 53.07 Lakhs in the FY. 2023-24 representing an increase of 62.39%, increase in other income from 0 in FY 2022-23 to ₹ 0.62 Lakhs in the FY 2023-24 representing an increase of 100%, increase in Foreign Exchange Gain from ₹ 0.51 Lakhs in FY 2022-23 to ₹ 2.33 Lakhs in FY 2023-24 representing an increase of 352.78%.

Total Expenses:

Total expenses for the financial year 2023-24 decreased to ₹ 1,198.56 Lakhs as compared to ₹ 1,649.66 Lakhs in financial year 2022-23 representing an decrease of 27.35%. Such decrease was due to decrease in the volume of business operations of the company.

Cost of Raw material consumed:

The cost of raw material consumed for the financial year 2023-24 stood at 939.57 Lakhs against ₹ 1,192.79 Lakhs in the Financial Year 2022-23 representing a decrease of 21.23%. Such decrease was due to decrease in purchase of Raw material and packing material from ₹ 1,221.07 Lakhs in FY. 2022-23 as compared to ₹ 909.05 Lakhs in FY 2023-24 representing a decrease of 25.55%.

Purchase of Stock in Trade:

Company has not purchased any Stock for the purpose of trading during the last three years.

Change in inventories of finished goods, work in progress and stock in trade:

The Change in inventories of finished goods & Work in Progress for financial year 2023-24 has been decreased as compared to the financial year 2022-23 by 847.00%, which was due to increase in closing stock of finished goods & work in progress from ₹ 31.34 Lakhs in FY. 2022-23 as compared to ₹ 55.03 Lakhs in FY. 2023-24 representing an increase of 75.62%.

Employee benefits expense:

Our company has incurred ₹ 166.89 Lakhs as employee benefit expenses during the financial year 2023-24 as compared to ₹ 159.41 Lakhs in the financial year 2022-23 representing increase of 4.69%. Such increase was due to increase in (i) Salaries & Wages from 82.26 lakhs in FY. 2022-23 as compared to ₹ 90.67 Lakhs in FY. 2023-24 which amount to increase of 10.22%; (ii) Staff Welfare from 0.30 lakhs in FY. 2022-23 as compared to ₹ 1.93 Lakhs in FY. 2023-24 which amount to increase of 537.37%; decrease in (i) Contribution to Provident Fund and Other Fund from ₹ 5.03 Lakhs in FY 2022-23 to ₹ 4.50 Lakhs in FY 2023-24 which amounts to decrease of 10.59%; (ii) Gratuity from ₹ 2.81 lakhs in FY. 2022-23 as compared to ₹ 0.79 Lakhs in FY. 2023-24 which amount to decrease of 72.07%.

Finance costs:

Our company has incurred ₹ 1.66 Lakhs as Finance Cost during the financial year 2023-24 as compared to ₹ 2.64 Lakhs in FY 2022-23, representing a decrease of 37.06%. Such decrease was due to decrease in (i) Bank Interest from ₹ 0.21 lakhs in FY. 2022-23 as compared to ₹ 0.01 Lakhs in FY. 2023-24 which amount to decrease of 97.17%; (ii) Other Borrowing cost from ₹ 2.42 Lakhs in FY 2022-23 as compared to ₹ 1.65 Lakhs in FY 2022-24, which amounts to decrease of 31.73%.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2023-24 stood at ₹ 19.83 Lakhs in FY. 2023-24 as against to ₹ 17.59 Lakhs in financial year 2022- 23 representing an increase of 12.73%. Such increase was due to addition in Fixed Assets during the FY 2023-24.

Other expense:

Our Company has incurred ₹ 94.31 Lakhs as other expenses during the financial year 2023-24 as compared to ₹ 279.74 Lakhs in the financial year 2022-23 representing an decrease of 66.29%. Such decrease was majorly due to decrease in (i) Manufacturing expenses from Rs. 64.02 Lakhs in FY 2022-23 to Rs 56.97 Lakhs in FY 2023-24 representing an decrease of 11.01%, (ii) Sales Commission Expense from Rs. 139.27 Lakhs in FY 2022-23 to Rs. 5.98 Lakhs in FY 2023-24 representing an decrease of 95.71%, (iii) Rent, rates and Taxes from Rs. 1.45 lakhs in FY 2022-23 to Rs. 1.23 Lakhs in FY 2023-24 representing an decrease of 15.17%, (iii) Miscellaneous Expenses from Rs. 72.94 lakhs in FY 2022-23 to Rs. 27.95 lakhs in FY 2023-24 representing an decrease of 61.68%.

Restated Profit/ (Loss) before tax:

Restated Profit before Tax for the financial year 2023-24 was ₹ 501.73 Lakhs as compared to Restated profit before tax of ₹ 286.60 Lakhs during the financial year 2022-23 which amounts to increase was majorly due to factors as mentioned above.

Restated Profit/ (Loss) after tax:

Restated Profit after Tax for the financial year 2023-24 was ₹ 372.95 Lakhs as compared to Restated profit after tax of ₹ 214.37 Lakhs during the financial year 2022-23.

Financial Year 2023 compared to Financial Year 2022 (Based on Restated Financial Statements)**Total Income:**

Total income for the financial year 2022-23 stood at ₹ 1936.27 Lakhs as compared to ₹ 1629.21 Lakhs in financial year 2021-22 representing a increase of 15.86. Such increase was due to increase in business operations of the Company.

Revenue from Operations:

During the financial year 2022-23, the revenue from operations of our company increased to ₹ 1902.04 Lakhs as against ₹ 1597.76 Lakhs in financial year 2021-22, representing increase of 15.99%. The main reason of increase was due to increase in the operations during the FY 2022-23.

Other Income:

During the financial year 2022-23, the other income of our company increases to ₹ 34.22 Lakhs as against ₹ 31.45 Lakhs in financial year 2021-22, representing a decrease of 8.09%. The increase in other income was due to increase in interest on IT refund income from ₹ 0 in the FY. 2021-22 as compared to ₹ 0.41 Lakhs in the FY. 2022-23 representing increase of 100.00%, increase in interest income from ₹ 30.84 Lakhs in the FY. 2021-22 as compared to ₹ 32.27 lakhs in FY 2022-23 representing a increase of 4.64%.

Total Expenses:

Total expenses for the financial year 2022-23 increase to ₹ 1649.66 Lakhs as compared to ₹ 1387.68 Lakhs in financial year 2021-22 representing increase of 18.88%. Such increase was due to increase in the volume of business operations of the company.

Cost of Raw material consumed:

The cost of raw material consumed for the financial year 2022-23 stood at 1192.79 Lakhs against ₹ 991.63 Lakhs in the Financial Year 2021-22 representing an increase of 20.29 %. Such increase was due to increase in opening Purchase of Raw material and packing material from ₹ 1019.50 Lakhs in FY. 2021-22 as compared to ₹1221.07 Lakhs in FY 2022-23 representing an increase of 19.77%.

Purchase of Stock in Trade:

There was no Purchase of Stock in Trade in FY 2021-22 and FY 2022-23

Change in inventories of finished goods, work in progress and stock in trade:

The Change in inventories of finished goods for financial year 2022-23 has been increased as compared to the financial year 2021-22 by 86.52%, which was due to increase in opening stock of finished goods from 6.82 Lakhs in FY. 2021-22 as compared to 25.89 Lakhs in FY. 2022-23 representing an increase of 279.62%.

Employee benefits expense:

Our company has incurred ₹ 159.16 Lakhs as employee benefit expenses during the financials year 2021-22 as compared to ₹ 159.41 Lakhs in the financial year 2022-23 representing increase of 0.16%. Such increase was due to increase in (i) Salaries & Wages from ₹ 73.79 lakhs in FY. 2021-22 as compared to ₹ 82.26 Lakhs in FY. 2022-23 which amount to increase of 11.48%; (ii) Contribution to PF and Other Fund from ₹4.61 lakhs in FY. 2021-22 as compared to ₹ 5.03 Lakhs in FY. 2022-23 which amount to increase of 9.12%;

Finance costs:

These costs were for the financial Year 2022-23 increased to ₹ 2.64 Lakhs as against ₹ 2.58 Lakhs during the financial year 2021-22, representing an increase of 2.33%. Such increase was due to increase in other borrowing cost from 1.84 lakhs in FY. 2021-22 as compared to ₹ 2.42 Lakhs in FY. 2022-23 which amount to increase of 31.52%.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2021-22 stood at ₹ 16.70 Lakhs as against to ₹ 17.59 Lakhs in financial year 2022-23

representing an increase of 5.33%. Such increase was due to addition in Fixed Assets during the FY 2022-23.

Other expense:

Our company has incurred ₹ 279.74 Lakhs as other expenses during the financials year 2022-23 as compared to ₹ 236.17 Lakhs in the financial year 2021-22 representing an increase of 18.45%. Such increase was due to increase in (i) Manufacturing Expenses from 62.42 lakhs in FY 2021-22 to Rs. 64.02 lakhs in FY 2022-23 representing an increase of 2.56%, (ii) Sales Commission Expense from Rs. 124.16 lakhs in FY 2021-22 to Rs. 139.27 lakhs in FY 2022-23 representing an increase of 12.17%, (iii) Miscellaneous Expense from Rs. 44.87 lakhs in FY 2021-22 to Rs. 72.94 lakhs in FY 2022-23 representing an increase of 62.56%.

Restated Profit/ (Loss) before tax:

Restated Profit before Tax for the financial year 2022-23 was ₹ 286.60 Lakhs as compared to Restated profit before tax of ₹ 241.53 Lakhs during the financial year 2021-22 which amounts to increase by 18.66%, which was majorly due to factors as mentioned above.

Restated Profit/ (Loss) after tax:

Restated Profit after Tax for the financial year 2022-23 was ₹ 214.34 Lakhs as compared to Restated profit after tax of ₹ 177.60 Lakhs during the financial year 2021-22.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 24 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 24, 97 and 173 respectively of this Draft Red Herring Prospectus, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

Our business activity primarily falls within a single business and geographical segment, as disclosed in “**Restated Financial Statements**” on page 139 of this Draft Red Herring Prospectus, we do not follow any other segment reporting.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter **“Our Business”**, on page 97 of this Draft Red Herring Prospectus our Company has not announced any new product or service.

7. Seasonality of business

Our business is not subject to seasonality. For further information, see **“Industry Overview”** and **“Our Business”** on pages 85 and 97 respectively of this Draft Red Herring Prospectus.

8. Dependence on single or few customers

Our top ten customers for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 accounted for 54.05%, 66.42% and 62.59% of our revenue from operations for the respective period. For further details refer chapter titled **“Risk Factors”** beginning on pages 24 Draft Red Herring Prospectus.

9. Competitive conditions

Competitive conditions are as described under the Chapters **“Industry Overview”** and **“Our Business”** beginning on pages 85 and 97 respectively of this Draft Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2024.

After the date of last Balance sheet i.e., March 31, 2024, the following material events have occurred after the last audited period:

1. The Company has approved the Restated Financial Statements for the financial year ending March 31, 2024, March 31, 2023, and March 31, 2022 in the Board meeting dated September 21, 2024.
2. The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on September 23, 2024nd by our Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting held on September 24, 2024 to raise funds by making an Initial Public Offering.
3. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated September 30, 2024,

CAPITALISATION STATEMENT

(₹ In Lakhs)

Particulars	Pre-Issue	Post-Issue
Borrowings		
Short term debt (A)	-	*
Long Term Debt (B)	-	*
Total debts (C)	-	*
Shareholders' funds		
Equity share capital	15.00	*
Reserve and surplus - as restated	1400.97	*
Total shareholders' funds	1415.97	*
Long term debt/ shareholders' funds (in ₹)	-	*
Total debt/ shareholders' funds (in ₹)	-	*

(*) 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.
2. Long term Debts represent debts other than Short term Debts as defined above.
3. The figures disclosed above are based on restated standalone statement of Assets and Liabilities of the Company as at March 31, 2024

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving the Company, its Directors and Promoters.

The Board, in its meeting held on September 23, 2024 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5% of the Company’s trade payables as per the last restated financial statements.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

There are no outstanding criminal proceedings initiated against the Company.

(b) Criminal proceedings filed by the Company

There are no outstanding criminal proceedings initiated by the Company.

(c) Actions by statutory and regulatory authorities against the Company

There are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) Tax Proceedings:

Direct Tax- NIL

Indirect Tax- NIL

(e) Other pending material litigations against the Company

There are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Company

There are no outstanding litigations initiated by the company, which have been considered Material by the Company in accordance with the Materiality Policy.

B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Promoters & Directors of the company

Except as mentioned below, there are no outstanding criminal proceedings against the Promoters & Directors of the Company:

Case No.	Apl/288/2015
Applicant	Hema Bipin Shah
Respondent	The State of Maharashtra (Through the Public Prosecutor High Court Mumbai) & Kiran Karnavat
Court/ Authority	High Court of Judicature at Bombay
Facts of the Case	<p>H. B. & Associates, in need of funds for their business, approached the complainant through Mr. Santosh Navandar for a hand loan in August 2012. Kiran M Karnavat agreed and transferred Rs.5 lakhs through RTGS. Hema Bipin Shah promised to repay the loan within three months but failed to do so despite repeated reminders from the complainant. Bipin Dunganrshi Shah issued an acknowledgment receipt of the loan amount as a token of acknowledgment in May 2013. The Accused issued a cheque of Rs.5,00,000 in the name of Asha Resins Pvt. Ltd., signed by accused no. 2, which was deposited but dishonored due to insufficient funds. A legal notice under Section 138 of the Negotiable Instruments Act was sent to the accused on 24.09.2013, but it returned unserved. Despite waiting for the stipulated period, the accused failed to make the payment, leading to the filing of the complaint.</p> <p>Kiran M Karnavat seeks the trial and punishment of the accused under Section 138 of the Negotiable Instruments Act, compensation as per Section 357 of the Code of Criminal Procedure, and any other orders deemed just and necessary by the court.</p> <p>Hema Bipin Shah filed an Application No. Apl/288/2015 for Quashing of the FIR C.R, Charge Sheet and Prosecution before the Hon'ble High Court.</p>
Current Petition	The applicant has approached this Hon'ble Court for seeking quashing of the order of process and the criminal proceedings as against her by involving the powers of this Court u/s 482 of The CrPC. Applicant prays that Hon'ble court may be pleased to call for the records and proceedings of the SCC No. 26267 of 2013 pending on the file of the Ld. Judicial Magistrate First Class, Pune and after examining their validity may be pleased to quash and set aside the order dated December 06, 2013 issuing process against the Applicant.
Amount Involved	Rs.5,00,000
Status	Stayed by Hon'ble High Court
Next Hearing date	October 10, 2024

(b) Criminal proceedings filed by the Promoters & Directors of the company

Except as mentioned below, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

Case No.	S.C.C./0426267/2013
Complaint	Mr. Kiran M Karnawat
Accused	H. B. & Associates, Mr. Bipin Dunganrshi Shah, Mrs. Hema Bipin Shah
Court/ Authority	Judicial Magistrate First Class, Pune
Facts of the Case	<p>The complainant is the Director of the Issuer Company, while the accused is a partnership firm represented by Mr. Bipin Dunganrshi Shah and Mrs. Hema Bipin Shah. The accused partnership firm, is engaged in the construction business. The complainant had a common acquaintance with the accused through Mr. Santosh Navandar.</p> <p>The accused, in need of funds for their business, approached the complainant through Mr. Santosh Navandar for a hand loan in August 2012. The complainant agreed and transferred Rs.5 lakhs through RTGS. The accused promised to repay the loan within three months but failed to do so despite repeated reminders from the complainant. Accused no. 2 issued an acknowledgment receipt of the loan amount as a token of acknowledgment in May 2013. The Accused issued a cheque of Rs.5,00,000 in the name of Asha Resins Pvt. Ltd., signed by accused no. 2, which was deposited but dishonored due to insufficient funds. A legal notice under Section 138 of the Negotiable Instruments Act was sent to the accused on 24.09.2013, but it returned unserved. Despite waiting for the stipulated period, the accused failed to make the payment, leading to the filing of the complaint.</p>
Current Petition	<p>The complainant seeks the trial and punishment of the accused under Section 138 of the Negotiable Instruments Act, compensation as per Section 357 of the Code of Criminal Procedure, and any other orders deemed just and necessary by the court.</p> <p>The Accused filed an Application No. Apl/288/2015 for Quashing of the FIR C.R, Charge Sheet and Prosecution before the Hon'ble High Court.</p>
Amount Involved	Rs.5,00,000
Status	Stayed by Hon'ble High Court
Next Hearing date	October 10, 2024

(c) Actions by statutory and regulatory authorities against the Promoters & Directors of the company

There are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors.

(d) Tax Proceedings:

<i>Nature of Proceedings</i>	<i>Number of cases</i>	<i>Amount Involved (Rs. In lakhs)</i>
Direct Tax		
<i>Income Tax</i>	<i>1</i>	<i>0.36</i>
Indirect Tax	-	-
Total	1	0.36

(e) Other pending material litigations against the Promoters & Directors of the company

There are no outstanding litigations initiated against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Promoters & Directors of the company

There are no outstanding litigations initiated by the Directors, which have been considered Material by the Company in accordance with the Materiality Policy.

C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON THE COMPANY

As on the date of Draft Red Herring Prospectus, Our Company does not have Group Company.

D. LITIGATIONS INVOLVING THE SUBSIDIARIES

As on the date of Draft Red Herring Prospectus, Our Company does not have Subsidiary Company.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

The Board of Directors of our Company considers dues exceeding 5% of our Company's total Trade payables as per Restated financial statements. Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the period ended on March 31, 2024 were Rs. 142.36 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 7.12 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on September 23, 2024. Based on these criteria, details of outstanding dues owed as on March 31, 2024 by our Company on are set out below

Type of Creditors	Number of Creditors	Amount
A. Micro, small and medium enterprises	9	47.16
B. Other Creditors	20	95.21
Total	29	142.36

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at (www.asharesins.com). It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. As on March 31, 2024, our Company owes amounts aggregating to Rs 142.36 lakhs approximately towards 29 trade creditors, which may or may not include small scale undertakings. There are no disputes with such entities in relation to payments to be made to them.

Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

As on date of this Draft Prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences.

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment since incorporation against our Company.

Material Fraud against our Company in the last five years

There has been no material fraud committed against our Company since incorporation.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences for default or outstanding defaults.

Non-Payment of Statutory Dues

Except as disclosed in the chapter titled “*Financial Statements as Restated*” beginning on page 139 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

Material Developments occurring After Last Balance Sheet Date

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 173 of this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS OF THE ISSUE

The following approvals have been obtained in connection with the Issue:

Corporate Approvals:

- a. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on September 23, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on September 24, 2024 authorized the Issue.
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated September 30, 2024

Approvals from Stock Exchange:

- d. In-principle approval dated [●] from the NSE Emerge for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

Agreements with NSDL and CDSL:

- e. The company has entered into an agreement dated August 08, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transferor Agent, who in this case is, Cameo Corporate Services Limited for the dematerialization of its shares.
- f. The company has entered into an agreement dated August 09, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transferor Agent, who in this case is, Cameo Corporate Services Limited for the dematerialization of its shares.
- g. The International Securities Identification Number (ISIN) of our Company is “**INE10VR01018**”.

II. Approvals pertaining to Incorporation of our Company

Sl. No.	Name of Registration	CIN	Applicable Law	Issuing Authority	Date of Issue	Validity
1.	Certificate of Incorporation	U99999MH1993 PTC073569	Companies Act, 2013	Registrar of Companies, Maharashtra	August 20, 1993	Valid until cancelled
2.	Fresh Certificate of Incorporation upon conversion of Company from Private to Public	U99999MH1993 PLC073569	Companies Act, 2013	Registrar of Companies, Central Processing Centre	September 18, 2024	Valid until cancelled

III. Business and Operations Related Approvals

Sl. No.	Name of Registration	Registration/License No	Applicable Law	Issuing Authority	Date of Issue	Validity
1	Consent to operate under RED/ SSI	0000150089/CR /2301001318	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 and Hazardous & Other Wastes Management and Transboundary Movement) Rules, 2016	Maharashtra Pollution Control Board	January 13, 2023	November 30, 2027
2	Consent to Establish Expansion RED/MSI Category for in	0000130926/CE /2204000875	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 and Hazardous & Other Wastes Management and Transboundary Movement) Rules, 2016	Maharashtra Pollution Control Board	April 13, 2022	Period up to commissioning of the unit or up to 5 years whichever is earlier.
3	License to operate a factory	322106580300000	Factories Act, 1948	Directorate of Industrial Safety and Health (Labour Department)	March 10, 2023	December 31, 2025
4	Environment Clearance Certificate	EC23A021MH184956	Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981 Environment (Protection) Act, 1986	Ministry of Environment, Forest and Climate Change (Impact Assessment Division)	May 12, 2023	Valid until cancelled

Sl. No.	Name of Registration	Registration/License No	Applicable Law	Issuing Authority	Date of Issue	Validity
			Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 Public Liability Insurance Act, 1991			
5	Importer-Exporter Code Certificate	3197000196	The Foreign Trade (Development and Regulation) Act, 1992	Ministry of Commerce and Industry Directorate General of Foreign Trade	April 10, 1997	Valid until cancelled
6	Udhyam Registration Certificate (Small Enterprise)	UDYAM-MH-26-0178486	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	November 05, 2021	Valid until cancelled

IV. Labour Law Related Approvals

S.No.	Name of Registration	Applicable Laws	Issuing Authority	Registration No.	Date of Certificate	Date of Expiry
1.	Registration under Employee's Provident Fund	Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organization	PUPUN2132875000	July 12, 2020	Valid until cancelled
2.	Registration under Employee State Insurance Act	Employee State Insurance Act, 1948	Employees' State Insurance Corporation	33000448680000399	July 20, 2013	Valid until cancelled

V. Quality Certifications

S.No.	Name of Registration	Issuing Authority	Date of Issue	Validity
1.	Quality Management Certifications ISO 9001:2015	Quality Research Organization	May 27, 2024	May 26, 2027

VI. Tax Related Approvals

Sl. No.	Name of Registration	Registration No	Applicable Laws	Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number [PAN]	AABCA5790M	Income Tax Act, 1961	Income Tax Department, Government of India	August 20, 1993	Valid until cancelled
2.	Tax Deduction Account Number [TAN]	PNEA01487D	Income Tax Act, 1961	Income Tax Department, Government of India	*	Valid until cancelled
3.	Certificate of Registration of Goods and	27AABCA5790M 1Z9	Central Goods and Service Tax Act 2017	Goods and Services Tax Network	August 11, 2022	Valid until cancelled

Sl. No.	Name of Registration	Registration No	Applicable Laws	Authority	Date of Issue	Date of Expiry
	Service Tax (Maharashtra)				Valid from July 01, 2017	
4.	Professional Tax Certificate of Registration (RC)	99461000517P	Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	Maharashtra Sales Tax Department	**	Valid until cancelled

*TAN Certificate not Traceable

** Professional Tax Certificate not Traceable

V. Intellectual Property Related Approvals

We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights include trademarks associated with our businesses and other rights arising from confidentiality agreements relating to our database, website content and technology.

Sr. No	Word/ Label mark	Application No.	Class	Date of Issue	Status
1.	“ASHAION”	1844239	1 [#]	July 27, 2009	Registered*

*Registered in the name of Asha Resins Pvt. Ltd. trading as Ashaion, Manufacturers & Traders, (Body Incorporate).

Description of the class: Chemicals for use in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; fire extinguishing and fire prevention compositions; tempering and soldering preparations; substances for tanning animal skins and hides; adhesives for use in industry; putties and other paste fillers; compost, manures, fertilizers; biological preparations for use in industry and science.

VII. Material Licenses/ Approvals/Permission for which applications have been made by our Company but not received and/or yet to be applied by our Company



VIII. Material Licenses/Approvals for which the Company is yet to apply

We are yet to apply for Shop & Establishment Act for our Administration Office situated at 1232, Bhawani Peth, Palkhi Vithoba Chowk, Pune, Maharashtra, 411042.

OUR GROUP COMPANY

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated September 23, 2024 for the purpose of disclosure in relation to Group Company in connection with the Issue, a company shall be considered material and disclosed as a Group Company if such company fulfils both the below mentioned conditions: -

- i.** Such Company that forms part of the promoter group of our Company in terms of Regulation 2(1)(PP) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and
- ii.** our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of the total revenue of our Company as per the Restated Financial Information.

Based on the above, none of the companies has been identified as our group Companies.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue:

Corporate Approvals:

The Board of Directors, pursuant to a resolution passed at their meeting held on September 23, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on September 24, 2024 authorized the Issue.

In-principle Approval:

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Red Herring Prospectus/ Prospectus pursuant to an approval letter dated [●] NSE is the Designated Stock Exchange.

Prohibition by SEBI or other Governmental Authorities:

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

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 182 of this Draft Red Herring Prospectus.

Association with Securities Market:

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors in the past 5 years.

Prohibition by RBI:

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower 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 182 of this Draft Red Herring Prospectus.

Prohibition with respect to wilful defaulters or a fraudulent borrower

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Draft Red Herring Prospectus, there are no such significant beneficial owners in our Company

Eligibility for the Issue:

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than ten crore rupees and upto twenty-five crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "NSE Emerge").

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "**General Information – Underwriting**" beginning on page 46 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- c) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
- d) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager and with 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 NSE Emerge of NSE. For further details of the arrangement of market making please refer to section titled "**General Information – Details of the Market Making Arrangements for this Issue**" beginning on page 46 of this Draft Red Herring Prospectus.

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.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated August 08, 2024 and National Securities Depository Limited dated August 09, 2024 for establishing connectivity.
2. Our Company has a website i.e., www.asharesins.com
3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE Emerge of the NSE:

1. Our Company was originally incorporated as a private limited Company under the name of “Asha Resins Private Limited” on August 20, 1993 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra bearing registration number as 073569. Thereafter, our Company was converted from private limited to public limited, pursuant to a special resolution passed by the shareholders of our Company on July 03, 2024 and the name of the Company was changed from “Asha Resins Private Limited” to “Asha Resins Limited” vide fresh certificate of incorporation dated September 18, 2024, issued by the Registrar of Companies, Pune, Maharashtra. The Corporate identification number of our Company is U99999MH1993PLC073569.
2. As on the date of this Draft Red Herring Prospectus, the Company has a Paid-up Capital of ₹ 9.15 Crores and the Post Issue Capital will be of upto ₹ [●] Crores which will be less than ₹ 25 Crores.
3. The Company confirms that it has track record of more than 3 years.
4. As on March 31, 2024, the Company has net tangible assets of ₹ 1,403.06 Lakhs.
5. The company has operating profit (earnings before interest, depreciation and tax) from operations for atleast any 2 out of 3 financial years preceding the application and its net-worth should be positive. The details of the Net Worth and Operating Profit as per the Financial Statements of the company are as detailed below

(In ₹ Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Operating profit (earnings before interest, depreciation, Profit/(loss) and tax)	1,415.97	1043.02	828.63
Net Worth	461.84	270.18	227.51

6. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
7. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
8. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
9. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
10. There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company
12. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years
13. The Company confirms that it has positive Free Cash Flow to Equity (FCFE) for atleast 2 financial years out of preceding three financial years as detailed below:

Particular	31.03.2024	31.03.2023	31.03.2022
Net Cash flow from Operating Activity	255.36	2.70	188.95
Less: Purchase of Fixed Asset	(181.96)	(33.72)	(21.00)
Add: Net Borrowings	-	(5.84)	(6.53)
Less: Interest*(1-t)	(0.01)	(0.16)	(0.54)
FCFE	73.39	(37.02)	160.88

14. We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.
- ii. There is no default in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by the applicant, promoters/ promoting company(ies), group companies, companies promoted by the promoters/ promoting company(ies) during the past three years.
- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 182 of this Draft Red Herring Prospectus.
- iv. There are no criminal cases/investigation/offences filed against the director of the company except as stated in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 182 of this Draft Red Herring Prospectus.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the Emerge Platform of NSE.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE 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 INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2024.

THE FILING OF THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, West Bengal in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 th calendar days from listing
Mainboard IPO's								
1.	Manba Finance Limited	150.84	120.00	September 30, 2024	145.00	N.A.	N.A.	N.A.
SME IPO's								
1.	Ganesh Green Bharat Limited	125.23	190.00	July 12, 2024	361.00	149.42% [-0.63%]	N.A.	N.A.
2.	Chetana Education Limited	45.90	85.00	July 31, 2024	98.90	-0.88% [1.14%]	N.A.	N.A.
3.	Aprameya Engineering Limited	29.23	58.00	August 01, 2024	72.00	17.24% [1.31%]	N.A.	N.A.
4.	Sunlite Recycling Industries Limited	30.24	105.00	August 20, 2024	199.50	49.57% [2.90%]	N.A.	N.A.
5.	Aeron Composite Limited	56.10	125.00	September 04, 2024	150.00	N.A.	N.A.	N.A.
6.	Namo eWaste Management Limited	51.20	85.00	September 11, 2024	161.50	N.A.	N.A.	N.A.
7.	My Mudra Fincorp Limited	33.60	110.00	September 12, 2024	130.00	N.A.	N.A.	N.A.
8.	Vision Infra Equipment Solutions Limited	106.21	163.00	September 13, 2024	205.00	N.A.	N.A.	N.A.
9.	Shubhshree Biofuels Energy Limited	16.56	119.00	September 16, 2024	189.00	N.A.	N.A.	N.A.
10.	WOL 3D India Limited	25.56	150.00	September 30, 2024	180.05	N.A.	N.A.	N.A.

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

- 1) *The scrip of Ganesh Green Bharat Limited, Chetana Education Limited, Aprameya Engineering Limited and Sunlite Recycling Industries Limited have not completed its 90th day from the date of listing and Aeron Composite Limited, Namu eWaste Management Limited, My Mudra Fincorp Limited, Vision Infra Equipment Solutions Limited, Shubhshree Biofuels Energy Limited, WOL 3D India Limited and Manba Finance Limited have not completed its 30th day from the date of listing.*

Summary statement of Disclosure:

Financial Year	Total no. of	Total amount of funds	No. of IPOs trading at discount- 30th calendar days from listing	No. of IPOs trading at Premium- 30th calendar days from listing	No. of IPOs trading at discount- 180th calendar days from listing	No. of IPOs trading at Premium- 180th calendar days from listing

	IPOs	raised (₹ Cr.)	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%
2022-23	15 ⁽¹⁾	220.57	-	-	-	6	6	3	-	-	-	12	-	3
2023-24	21 ⁽²⁾	680.45	-	-	1	12	5	3	-	-	2	12	5	2
2024-25	20 ⁽³⁾	1,017.68	-	-	1	6	2	4	-	-	-	1	1	-

- 1) *The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;*
- 2) *The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recycling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024, New Swan Multitech Limited was listed on January 18, 2024, Harshdeep Hortico Limited was listed on February 05, 2024, Megatherm Induction Limited was listed on February 05, 2024, Sona Machinery Limited was listed on March 13, 2024 and Enfuse Solutions Limited was listed on March 22, 2024;*
- 3) *The scrip of Aspire & Innovative Advertising Limited was listed on April 03, 2024, Blue Pebble Limited was listed on April 03, 2024, Amkay Products Limited was listed on May 08, 2024, TGIF Agribusiness Limited was listed on May 15, 2024, Energy-Mission Machinerics (India) Limited was listed on May 16, 2024, Aztec Fluids & Machinery Limited was listed on May 17, 2024, Premier Roadlines Limited was listed on May 17, 2024, Vilas Transcore Limited was listed on June 03, 2024, Aimtron Electronics Limited was listed on June 06, 2024; Ganesh Green Bharat Limited was listed on July 12, 2024; Chetana Education Limited was listed on July 31, 2024, Aprameya Engineering Limited was listed on August 01, 2024, Sunlite Recycling Industries Limited was listed on August 20, 2024, Aeron Composite Limited was listed on September 04, 2024, Namo eWaste Management Limited was listed on September 11, 2024, My Mudra Fincorp Limited was listed on September 12, 2024, Vision Infra Equipment Solutions Limited was listed on September 13, 2024, Shubhshree Biofuels Energy Limited was listed on September 16, 2024, WOL 3D India Limited was listed on September 30, 2024 and Manba Finance Limited was listed on September 30, 2024.*

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.

- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

Track Record of past issues handled by Hem Securities Limited:

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: www.hemsecurities.com

Disclaimer from our Company and the Book Running Lead Manager:

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Hem securities Limited) and our Company on September 25, 2024 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.

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.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction:

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 jurisdiction of the competent court(s) in Pune, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby 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 from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE Emerge of NSE:

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act:

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing of Offer 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 Offer 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 was 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>.

Listing:

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE Emerge (NSE SME platform).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge platform of NSE mentioned above are taken within Three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

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-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents:

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker to the Issue (Sponsor Bank)*, Legal Advisor to the Issue, Syndicate Member*, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

**The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, S.R. Goyal & Co. , Chartered Accountants, Peer review auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated Consolidate Financial Statements as included in this Draft Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus with the RoC.

Experts Opinion

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

- i) Our Company has received consent from the S.R. Goyal & Co. , Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (a) Auditors' reports on the restated financial statements; and (b) Statement of Special Tax Benefits (c) Statement of Financial Indebtedness. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus, and;
- ii) Our Company has received consent from the Er. Vikrant S Suryawanshi , Chartered Engineer to include their name as required under Section 26 of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent chartered engineer, in relation to the certificate, certifying, inter alia, the details of the installed and production capacity of our manufacturing facilities. 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.

Fees, Brokerage and Selling Commission payable:

The total fees payable to the Book Running Lead Manager will be as per the (i) Book Running Lead manager Agreement dated September 25, 2024 with the Book Running Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated [●] with Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00 A.M. to 5.00 P.M. on Working Days from the date of the Draft Red Herring Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue:

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated September 18, 2024 a copy of which is available for inspection at our Company’s Corporate Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/ speed post.

Particulars regarding Public or Rights Issues during the last five (5) years:

Our Company has not made any previous public or rights issue in India or Abroad the 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 55 of this Draft Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues:

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-à-vis object

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Option to Subscribe:

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares:

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.

Partly Paid-Up Shares:

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments:

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

Stock Market Data of the Equity Shares:

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Mechanism for Redressal of Investor Grievances:

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investors complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there is no investor complaint received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company:

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Harshada Rohan Petkar, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer will be updated prior to filing of Prospectus with ROC and NSE:

Harshada Rohan Petkar

Asha Resins Limited

Address Gat No. 227/2A/P Dhanore,
Khed, Dhanore, Pune, Khed,
Maharashtra, India, 412105

Tel. No.: +91 9404242201

Email: cs@asharesins.com

Website: www.asharesins.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Our Board by a resolution on September 23, 2024 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “*Our Management*” beginning on page 119 of this Draft Red Herring Prospectus.

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.

Disposal of investor grievances by listed companies under the same management as our Company:

We do not have any listed company under the same management.

Tax Implications:

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Special Tax Benefits*” beginning on page 82 of this Draft Red Herring Prospectus.

Purchase of Property:

Other than as disclosed in Section “*Our Business*” beginning on page 97 of this Draft Red Herring Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

Capitalization of Reserves or Profits:

Except as disclosed under section titled “*Capital Structure*” beginning on page 55 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets:

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Red Herring Prospectus.

Servicing Behavior:

Except as stated in this Draft, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of our Company:

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled ***“Our Management”*** beginning on page 119 and chapter titled ***“Financial Information”*** beginning on page 139 of this Draft Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provisions of securities laws, if any:

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

SECTION VIII: 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 of Association, the terms of the Draft Red Herring Prospectus, Prospectus, Bid cum Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Offer 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 Offer.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its UPI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From December 1, 2023, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid cum 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 32,88,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on September 23, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on September 24, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, “**Main Provisions of Article of Association**”, beginning on page 253 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, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) 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 by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act 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 section titled “**Dividend Policy**” and “**Main Provisions of Article of Association**” beginning on page 138 and 253 respectively of this Draft Red Herring Prospectus.

Face Value and Issue Price

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. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our 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 the Articles of Association*” beginning on page 253 of this 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 August 09, 2024 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated August 08, 2024 between CDSL, our Company and Registrar to the Issue.

Employee Discount

Employee Discount Employee discount, if any, may be offered to Eligible Employees bidding in the Employee Reservation Portion. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment at Bid Amount, that is, Bid Amount net of employee discount, if any, as applicable at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less employee discount, if any, as applicable, at the time of making a Bid

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 (SME platform of NSE) 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.

Minimum Number of Allottees

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in this the 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 all the monies blocked by SCSB s collected shall be unblocked within four (4) working days of closure of Issue forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Pune, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933, as amended (the “Securities Act”) or any state securities laws in the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being will be offered or and sold outside the United States in compliance with Regulation S under of 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Subscription List of Public Issue Issue Program

Event	Indicative Dates
Bid/ Issue Opening Date	[●] ¹
Bid/ Issue Closing Date	[●] ²
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* (T+2)	On or about [●]
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	On or about [●]
Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)	On or about [●]

The above time table is indicative and does not constitute any obligation on our Company. 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 NSE Emerge platform is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company 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.

Note ¹Our 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

²Our 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.

****In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.**

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 Applicants. The time for applying for Retail Individual Bidders Applicants on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to 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.

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.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of one Working Day, subject to the Bid/ Issue

Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

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 the 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, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

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 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “**General Information - Underwriting**” on page 46 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

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25.00 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

Or

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the NSE Emerge (SME platform of NSE), wherein the BRLM to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company the BRLM (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 46 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 SME platform of NSE.

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 IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deeply 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 or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled “*Capital Structure*” beginning on page 55 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 253 of this Draft Red Herring Prospectus.

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.

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 of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

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 and 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 and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value paid up capital does not exceed ten 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 (SME platform of NSE)). 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 205 and 218 of this Draft Red Herring Prospectus.

Issue Structure:

Initial Public Issue of up to 32,88,000 Equity Shares of ₹10 each (*the “Equity Shares”*) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs (*“the Issue”*) by the issuer Company (*the “Company”*).

Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to [●] Equity Shares aggregating to ₹ [●] lakhs, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. Details of Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

The Issue comprises a reservation of upto [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker (*“the Market Maker Reservation Portion”*) and upto [●] Equity Shares of ₹ 10 each for subscription by Employee Reservation Portion and Net Issue to Public of upto [●] Equity Shares of ₹ 10 each (*“the Net Issue”*). The Issue and the Net Issue will constitute 26.44% and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	Employee Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Up to [●] Equity Shares	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of Issue Size available for allocation	[●] of the Issue Size	The Employee Reservation Portion shall constitute up to 5% of the post Issue paid up Equity Share capital of our Company.	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	Employee Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Basis of Allotment⁽³⁾	Firm Allotment	Proportionate#; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of discount, if any).	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) 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 which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	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
Mode of Allotment	Compulsorily in dematerialized form.				
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000 (net of	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 Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	Employee Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
		employee discount, if any).			
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾				
Mode of Bid	Only through the ASBA process.	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment

Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹200,000 (net of employee discount, if any) in the Employee Reservation Portion. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

- ⁽¹⁾ *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 price Anchor Investor Allocation Price.*
- ⁽²⁾ *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- ⁽³⁾ *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*
- ⁽⁴⁾ *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- 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.*

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on pages 218 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.

Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

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

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

Issue Program

Event	Indicative Date
Bid/ Issue Opening Date	[•] ¹
Bid/ Issue Closing Date	[•] ²
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[•]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account Id Linked Bank Account* (T+2)	[•]
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	[•]
Commencement of Trading of The Equity Shares on the Stock Exchange(T+3)	[•]

The above time table is indicative and does not constitute any obligation on our Company. 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 NSE Emerge platform is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company 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.

Note ¹Our 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.

²Our 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.

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular applicant, the details as per physical Bid-Cum-application form of that Applicant may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

ISSUE PROCEDURE

All Bidders should read the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI UPI Circulars (**the "General Information Document"**) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid Cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("UPI Phase I"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days was applicable until further notice pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("UPI Phase II"). Thereafter, 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 ("T+3 Notification"). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification.

Further, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ("SEBI RTA Master Circular") and circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to circular (SEBI/HO/CFD/DIL2/P/CIR/P/2022/45) dated April 5, 2022, all individual bidders in initial public offerings whose Bid sizes are up to ₹500,000 shall use the UPI Mechanism for submitting their bids. Additionally, pursuant to circular (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).

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later

(“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism. 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). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

Further, SEBI vide its circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. This shall be applicable voluntarily for all public issues opening on or after September 1, 2023 and shall be mandatory for all public issues opening on or after December 1, 2023. The Draft Red Herring Prospectus has been drafted in accordance with phase II of the UPI framework, and also reflects additional measures for streamlining the process of initial public offers. Please note that we may need to make appropriate changes in the Red Herring Prospectus and the Prospectus depending upon the prevailing conditions at the time of the opening of the Issue.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed by the Registrar along with the SCSBs only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Further, our Company and the Syndicate are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

PART A

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 229(1) of the SEBI ICDR Regulations wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, 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 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 (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 to Non-Institutional Investors in accordance with the SEBI ICDR Regulations; 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. Furthermore, up to [●] Equity Shares shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Issue Price, if any.

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 spill-over from other categories or a combination of categories. Further, in the event of an undersubscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of employee discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of employee discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Issue.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Bidder must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020, read with press releases dated June 25, 2021, and September 17, 2021 and March 30, 2022, read with press release dated March 28, 2023 Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN, and UPI ID, for UPI Bidders Bidding using the UPI Mechanism, shall be treated as incomplete and will be rejected. Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism, 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 rematerialized subsequent to Allotment of the Equity Shares in the issue, subject to compliance with Applicable Law.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public issues opening on or after December 1, 2023. 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 RIIs had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase became 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 was later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had 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 RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, 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.

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 issue closure to listing has been reduced 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.

The processing fees for applications made by UPI Bidders 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.

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.

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, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**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 BRLM, 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 processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular

No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹200,000 to ₹500,000 for UPI based ASBA in initial public offerings.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Pune Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

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 Sponsor Banks to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

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 BRLM will be required to compensate the concerned investor.

Bid cum 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 and 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 Offer 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 Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs 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. RIIs 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 NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Offer 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 colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	[•]
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)	[•]
Eligible Employee Bidding in the Employee Reservation Portion***	

*Excluding Electronic Bid cum Application Form

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

***Bid cum application Forms for Eligible Employees shall be available at the Registered and Corporate Office of the Company.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum 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 Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB	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.
For applications submitted by	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall

investors to intermediaries other than SCSBs	forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Draft Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form 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 SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FII's registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 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 Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

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 Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Bidders (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 Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, 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.

Bidders 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 Bidders. The Company and the BRLMs 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. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the [●] English national daily newspaper [●], and all editions of Hindi national daily newspaper [●] and 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 daily newspaper [●], and all editions of Hindi national daily newspaper [●] and of Regional newspaper [●] each with wide circulation 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 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 218 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.
- i) 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.
- j) 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.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) 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.
- e) 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 BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

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

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ 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 Bid/ Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with 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 Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY 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 lakhs. 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 lakhs
- 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 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs 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).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an 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 a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our 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 sectorial 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. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate

foreign regulatory authority. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY ELIGIBLE EMPLOYEES

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 (net of employee discount, if any). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of employee discount, if any). Allotment in the Employee Reservation Portion will be as detailed in the section “*Issue Structure*” on page 213 of this Draft Red Herring Prospectus.

However, Allotments to Eligible Employees in excess of ₹200,000 (net of employee discount, if any) shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of employee discount, if any). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Issue. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

1. Made only in the prescribed Bid cum Application Form or Revision Form.
2. Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Issue under the Employee Reservation Portion.
3. In case of joint bids, the sole/ first Bidder shall be the Eligible Employee.
4. Bids by Eligible Employees may be made at Cut-off Price.
5. Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this portion.
6. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹200,000 (net of Employee Discount, if any). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹200,000 (net of Employee Discount, if any), provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000 (net of Employee Discount, if any).
7. If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
8. Bids by Eligible Employees in the Employee Reservation Portion and in the Net Issue portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
9. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.
10. As per the 5th April, 2022 circular SEBI/HO/CFD/DIL2/CIR/P/2022/45, Eligible Employees bidding in the Employee Reservation Portion can Bid through the UPI mechanism.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000.

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see “*Issue Procedure*” on page 218 of the Draft Red Herring Prospectus.

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of 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 AIF 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 AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission. Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUF'S:

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.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single 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 Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and

circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the

Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

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.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum 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 Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, 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 5.00 p.m. of the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will 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 Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;

- Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
 9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
 11. In case of Non-Retail Bidders and Retail Individual Bidders, 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 IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock 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 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
 14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
 15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

- a) 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 RHP. For details in relation to allocation, the Bidder may refer to the 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 RHP.
- 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.

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 BRLM, 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.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC

- a) Our company has entered into an Underwriting Agreement dated [●]

- b) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and 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:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from

specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by UPI Bidders) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
11. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit the General Index Register number instead of the PAN;
13. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
14. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;

15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Bids by UPI Bidders with Bid Amount of a value of more than ₹200,000 (net of retail discount) and for Bids by Eligible Employees Bidding in the Employee Reservation Portion with Bid Amount of a value more than ₹ 500,000;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
18. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the 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 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 GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK 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

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to 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. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

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:

- a) 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;
- b) 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 Emerge (SME platform of NSE) (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.

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.

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.

Flow of Events from the closure of Bidding period (T DAY) Till Allotment:

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable , through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below :

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these application s will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. 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 transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., 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 Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge (SME platform of NSE) where the Equity Shares are proposed to be listed are taken within 3 (three) 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 2(two) 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 Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who-

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

Undertakings by Our Company

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter 's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested 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 August 09, 2024 between NSDL, the Company and the Registrar to the Issue;
 - Tripartite Agreement dated August 08, 2024 between CDSL, the Company and the Registrar to the Issue;
- The Company's equity shares bear an ISIN No. INE10VR01018

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 or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. 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 Offer in writing about such approval along with a copy thereof within the Offer 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 20003/71/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 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 regulation

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

Table F

schedule I of the Companies Act, 2013

***ARTICLES OF ASSOCIATION**

OF

***ASHA RESINS LIMITED**

A Company Limited By Shares

INTERPRETATION

- I In these regulations-
the Act means the Companies Act 2013
the seal means the common seal of the company.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-

one certificate for all his shares without payment of any charges; or
several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.

In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

The company shall have a first and paramount lien on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made- 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.

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

The purchaser shall be registered as the holder of the shares comprised in any such transfer.

The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

A call may be revoked or postponed at the discretion of the Board.

That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits

A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

The Board -

may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and

upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

That a common form of transfer shall be used

The Board may, subject to the right of appeal conferred by section 58 decline to register—

the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

any transfer of shares on which the company has a lien.

The Board may decline to recognise any instrument of transfer unless—

the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares. That registration of 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 Issuer on any account whatsoever

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On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares

Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

That a common form of transmission shall be used

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

to be registered himself as holder of the share; or
to make such transfer of the share as the deceased or insolvent member could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

The notice aforesaid shall-
name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

The transferee shall thereupon be registered as the holder of the share; and

The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Subject to the provisions of section 61, the company may, by ordinary resolution- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and

cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Permission for sub-division/ consolidation of share certificates

Where shares are converted into stock,—

the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
it share capital;

any capital redemption reserve account; or
any share premium account.

CAPITALISATION OF PROFITS

The company in general meeting may, upon the recommendation of the Board, resolve-
that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution;
and

that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
paying up any amounts for the time being unpaid on any shares held by such members respectively;
paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

i. Whenever such a resolution as aforesaid shall have been passed the Board shall-
a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all
b. allotments and issues of fully paid shares if any and
c. generally do all acts and things required to give effect thereto.

ii. The Board shall have power-
a. to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and
b. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares

iii. Any agreement made under such authority shall be effective and binding on such members

BUY-BACK OF SHARES

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

All general meetings other than annual general meeting shall be called extraordinary general meeting.

The Board may, whenever it thinks fit, call an extraordinary general meeting.

If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board

PROCEEDINGS AT GENERAL MEETINGS

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

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, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands, every member present in person shall have one vote;

and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

The following are the First Directors of the Company:

KIRAN MOHANLAL KARNAVAT,
ASHA MOHANLAL KARNAVAT,
VIKAS MOHANLAL KARNAVAT,
SUNITA SANJAY KARNAVAT

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
in connection with the business of the company.

The Board may pay all expenses incurred in getting up and registering the company.

The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

A committee may elect a Chairperson of its meetings.

If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

A committee may meet and adjourn as it thinks fit.

Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act,

A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

The Board shall provide for the safe custody of the seal.

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

No dividend shall bear interest against the company.

ACCOUNTS

The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

Subject to the provisions of Chapter XX of the Act and rules made thereunder-

If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X – 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 the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated September 25, 2024 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated September 18, 2024 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members
7. Tripartite Agreement dated August 08, 2024 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated August 09, 2024 among NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated August 20, 1993 issued by the Registrar of Companies Maharashtra.
3. Fresh Certificate of Incorporation Consequent upon change of the status of the company from private limited to public limited dated September 18, 2024 issued by the Registrar of Companies, Central Processing Centre.
4. Copy of the Board Resolution dated September 23, 2024 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated September 24, 2024 authorizing the Issue and other related matters.
6. Copies of Audited Financial Statements of our Company for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.
7. Peer reviewed Auditors Report dated September 21, 2024 on the Restated Financial Statements for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.
8. Copy of the Statement of Special Tax Benefits dated September 21, 2024 from the Peer Reviewed Auditor.
9. Certificate on KPI's issued by Peer Review Auditor dated September 21, 2024.
10. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Syndicate Member, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated September 30, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus dated [●] for approval of Prospectus.
12. Due Diligence Certificate from Book Running Lead Manager dated September 30th, 2024.
13. Approval from NSE vide letter dated [●] to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the National Stock Exchange of India Limited.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Kiran Mohanlal Karnawat Chairman & Managing Director DIN: 01820067	Sd/-

Date: September 30 2024

Place: Pune

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS & CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Name and Designation	Signature
Seema Kiran Karnawat Whole Time Director & CFO DIN: 08121162	Sd/-

Date: September 30, 2024

Place: Pune

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Sneha Kiran Karnawat Non-Executive Director DIN: 10766761	Sd/-

Date: September 30 2024

Place: Pune

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Keval Rasiklal Mehta Independent Director DIN: 08739731	Sd/-

Date: September 30, 2024

Place: Pune

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Jitendra Uttamchand Lodha Independent Director DIN: 08588060	Sd/-

Date: September 30, 2024

Place: Pune

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:

Name and Designation	Signature
Harshada Rohan Petkar Company Secretary & Compliance Officer	Sd/-

Date: September 30, 2024

Place: Pune