**Prospectus**
**Dated: May 31, 2023**
**Please read section 26 and 32 of the Companies Act, 2013**
**Fixed Price Issue**

# Bizotic Commercial Limited

**CIN: U74999GJ2016PLC094934**
**Incorporated on December 29, 2016 at Ahmedabad**

| REGISTERED OFFICE | CONTACT PERSON |
|---|---|
| 8, Samet Business Park, Nr. Khokra Circle, Khokra, Ahmedabad-380008, Gujarat, India | Shivani Vyas, Company Secretary and Compliance Officer |

| EMAIL | TELEPHONE NO. | WEBSITE |
|---|---|---|
| bizoticcommercialindia@gmail.com | +91 79849 71501 | www.urbanunited.in |

**OUR PROMOTERS OF THE COMPANY**

Sanjay Gupta and Sangita Aggarwala

| Type | Fresh Issue Size (₹In Lakhs) | Eligibility 229(1) / 229(2) & Share Reservation among NII &RII |
|---|---|---|
| Fresh Issue | ₹ 4221.00 Lakhs | The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is less than or equal to ten crore rupees |

## RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity shares and the issue price is 17.5 times of the face value. The issue price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 61 of this Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors"* beginning on page no.18 of this Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

## LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated April 10, 2023 from BSE Limited (BSE) for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited **("BSE").**

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| **INTERACTIVE FINANCIAL SERVICES LIMITED**<br>**Address:** 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India<br>**Tel No.:** 079 46019796<br>**(M)** +91-9898055647<br>**Web Site:** www.ifinservices.in<br>**Email:** mbd@ifinservices.in<br>**Investor Grievance Email:** info@ifinservices.in<br>**Contact Person:** Pradip Sandhir<br>**SEBI Reg. No.:**INM000012856 | **BIGSHARE SERVICES PRIVATE LIMITED**<br>**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093<br>**Tel No.:** +91 22-62638200<br>**Fax No.:** +91 22-62638299<br>**Website:** www.bigshareonline.com<br>**E-Mail:** ipo@bigshareonline.com<br>**Investor Grievance Email**: investor@bigshareonline.com<br>**Contact Person:** Sagar Pathare<br>**SEBI Reg. No.:** INR000001385 |

## ISSUE PROGRAMME

| ISSUE OPENS ON: June 12, 2023 (Monday) | ISSUE CLOSES ON: June 15, 2023 (Thursday) |
|---|---|

**Prospectus**
**Dated: May 31, 2023**
**Please read section 26 and 32 of the Companies Act, 2013**
**Fixed Price Issue**

# BIZOTIC COMMERCIAL LIMITED

**CIN: U74999GJ2016PLC094934**

Our Company was originally incorporated as 'Bizotic Commercial Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 29, 2016 bearing Corporate Identification Number U74999GJ2016PTC094934 issued by the Deputy Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, Government of India. Subsequently, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 15, 2022 and consequently the name of our Company was changed to "Bizotic Commercial Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 26, 2022. The CIN of the Company is U74999GJ2016PLC094934. For further details, please refer the chapter titled "History and Certain Corporate Matters" beginning on page 91 of this Prospectus.

**Registered office**: 8, Samet Business Park, Nr. Khokra Circle, Khokra, Ahmedabad-380008, Gujarat, India
**Tel No.:** +91 79849 71501; **Website:** www.urbanunited.in; **E-Mail:** bizoticcommercialindia@gmail.com
**Contact Person:** Shivani Vyas, Company Secretary and Compliance Officer

**PROMOTER OF THE COMPANY: SANJAY GUPTA AND SANGITA AGGARWALA**

## THE ISSUE

**INITIAL PUBLIC ISSUE OF 24,12,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF BIZOTIC COMMERCIAL LIMITED ("BCL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹175/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹165/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹4221.00 LACS ("THE ISSUE"), OF WHICH 1,20,800 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ 175/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹165/- PER EQUITY SHARE AGGREGATING TO ₹ 211.40 LACS 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 22,91,200 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹175/- PER EQUITY SHARE AGGREGATING TO ₹ 4009.60 LACS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.00% and 28.50% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 172 OF THIS PROSPECTUS.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 5.1 TIMES OF THE FACE VALUE**

This issue is being made through Fixed Price Process in terms of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations") and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI ICDR Regulations. In terms of the Regulation 19(2)(B)(I) of the Securities Contracts (Regulations) Rules, 1957, as amended (the "SCRR"), the issue is being made for at least 25% of the post-paid-up Share capital of our Company. All the bidders, shall participate in the issue through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account (including UPIID for RIIs using UPI Mechanism) wherein the bid amount will be blocked by the SCSBs or under the UPI mechanism, as the case may be, to the extent of respective Bid amounts. For details, please refer to chapter titled "Issue Procedure" beginning on Page 181 of this Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account and UPI ID in case of RII"s, if applicable, in which the application amount shall be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under UPI Mechanism as the case may be. For details in this regard, specific attention is invited to chapter titled "Issue Procedure" on page 181 of this Prospectus.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹10/- per Equity Shares and the Issue price is 17.5 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 61 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no.18 of this Prospectus.

## ISSUER's ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

## LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the BSE SME Platform. In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an approval letter dated April 10, 2023 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (**"BSE"**).

| LEAD MANAGER | REGISTRAR TO THE ISSUE |
|---|---|
| **INTERACTIVE FINANCIAL SERVICES LIMITED**<br>**Address:** 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India<br>**Tel No.:**079 46019796<br>**(M)** +91-9898055647<br>**Web Site :** www.ifinservices.in<br>**Email :** mbd@ifinservices.in<br>**Investor Grievance Email:** info@ifinservices.in<br>**Contact Person:** Pradip Sandhir<br>**SEBI Reg. No.:**INM000012856 | **BIGSHARE SERVICES PRIVATE LIMITED**<br>**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093<br>**Tel No:** +91 22-62638200<br>**Fax No** +91 22-62638299<br>**Website:** www.bigshareonline.com<br>**E-Mail:** ipo@bigshareonline.com<br>**Investor Grievance Email**: investor@bigshareonline.com<br>**Contact Person:** Sagar Pathare<br>**SEBI Reg. No**.: INR000001385 |

## ISSUE PROGRAMME

| ISSUE OPENS ON: June 12, 2023 (Monday) | ISSUE CLOSES ON: June 15, 2023 (Wednesday) |
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## SECTION I – GENERAL

## DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI (ICDR) Regulations, 2018 the Companies Act, 2013 the SCRA, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled "Statement of Tax Benefits", "Restated Financial Statements", "Outstanding Litigation and Material Developments" and section titled "Main Provisions of Articles of Association" beginning on page nos. 66, 106, 152 and 211, respectively, shall have the meanings ascribed to such terms in the respective sections.

### GENERAL TERMS

| Term | Description |
|---|---|
| "BCL", "BIZOTIC", "our Company", "we", "us", "our", "the Company", "the Issuer Company" or "the Issuer" | Bizotic Commercial Limited, a public limited company incorporated under the Companies Act, 2013 and having Registered Office at D-8 Samet Business Park, Nr. Khokra Circle, Khokra Ahmedabad-380008, Gujarat, India |
| Promoters | Sanjay Gupta and Sangita Aggarwala |
| Promoter Group | Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018. |
| "you", "your" or "yours" | Prospective Investors in this Issue |

### COMPANY RELATED TERMS

| Term | Description |
|---|---|
| Articles / Articles of Association/AOA | Articles of Association of our Company as amended from time to time |
| Auditors of the Company | The Statutory auditors of our Company, being M/s D G M S & Co, Chartered Accountants. |
| Audit Committee | Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled "Our Management" beginning on page 93 of this Prospectus. |
| Associate Companies | A body corporate in which our company has a significant influence and includes a joint venture company. |
| Board of Directors / Board | The Board of Directors of our Company or a committee constituted thereof |
| Company Secretary and Compliance Officer | The Company Secretary of our Company, being Shivani Vyas. |
| Chief Financial Officer/ CFO | The Chief Financial Officer of our Company, being Inderpreet Kaur Gulati |
| Act or Companies Act | Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time. |
| CIN | Corporate Identification Number |
| CMD | Chairman and Managing Director |
| Depositories Act | The Depositories Act, 1996, as amended from time to time |
| Director(s) | Director(s) of Bizotic Commercial Limited unless otherwise specified |
| Equity Shares | Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof |

| | |
|---|---|
| Equity Shareholders / Shareholders | Persons /entities holding Equity Shares of our Company |
| ED | Executive Director |
| Fresh Issue | The fresh issue of 24,12,000 Equity Shares at a price of Rs. 175 per equity share aggregating to Rs. 4,221.00 lakhs to be issued by our Company as part of the Offer, in terms of the Prospectus. |
| Group Companies | Companies (other than our Corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in "Financial Information of Our Group Companies" on page 161 of this Prospectus |
| Independent Director | Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled "Our Management" beginning on page 93 of this Prospectus |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| ISIN | International Securities Identification Number is INE0OJ401014 |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page no. 93 of this Prospectus |
| MD | Managing Director |
| Materiality Policy | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on January 31, 2023 in accordance with the requirements of the SEBI (ICDR)Regulations, 2018 as amended from time to time |
| MOA/ Memorandum / Memorandum of Association | Memorandum of Association of our Company as amended from time to time |
| Nomination & Remuneration Committee | The Nomination and Remuneration Committee of our Board described in the chapter titled "Our Management" on page 93 of this Prospectus. |
| Registered Office | The Registered office of our Company, located at D-8 Samet Business Park, Nr. Khokra Circle, Khokra Ahmedabad-380008, Gujarat, India |
| ROC/Registrar of Companies | Registrar of Companies, Ahmedabad. |
| Restated Financial Statements | The restated audited financial statements of our Company for the Period ended December 31, 2022 and Financial Years ended March 31, 2022 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cash flow statement, together with the annexures and notes thereto disclosed in chapter titled "Restated Financial Statements" on page 106 of this Prospectus |
| Peer Review Auditor | Independent Auditor having a valid Peer Review certificate in our case being M/s. D G M S & Co, Chartered Accountants |
| PLC | Public Limited Company |
| PTC | Private Limited Company |
| Stakeholder's Relationship Committee | The Stakeholders Relationship Committee of the Board of Directors constituted as the Company's Stakeholder's Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled "Our Management" on page 93 of this Prospectus. |
| WTD | Whole Time Director |

**ISSUE RELATED TERMS**

| Terms | Description |
|---|---|

| | |
|---|---|
| Abridged Prospectus | Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form |
| Acknowledgement Slip | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants. |
| Applicant | Any prospective investor who makes an application for Equity Shares in terms of the Prospectus |
| Application Form | The Form in terms of which the applicant shall apply for the Equity Shares of our Company |
| Application Lot | 800 Equity Shares and in multiples thereof |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB. |
| ASBA Account | An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form. |
| Allot / Allotment / Allotted/ Allotment of Equity Shares | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants. |
| Allottee(s) | The successful applicant to whom the Equity Shares are being / have been issued |
| Allotment Advice | Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange |
| Allotment Date | Date on which the Allotment is made |
| Basis of Allotment | The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page no. 206 of this Prospectus |
| Bankers to our Company | Indusind Bank Limited |
| Banker to the Issue / Refund Banker / Public Issue Bank | ICICI Bank Limited |
| Business Day | Any day on which commercial banks are open for the business. |
| CAN/Confirmation of Allocation Note | A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client Identification Number of the Applicant 's Beneficiary Account |
| Collection Centers | Broker Centers notified by Stock Exchange where bidders 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 website of the BSE. |
| Collecting Depository Participant or CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no.GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Controlling Branches/Controlling Branches of the SCSBs | Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| Demographic Details | The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable). |
| Depositories | National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time. |

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| Depository Participant/DP | A depository participant registered with SEBI under the Depositories Act |
| Designated CDP Locations | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.<br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e., www.bseindia.com. |
| Designated Date | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue |
| CAN /Confirmation of Allocation Note | A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange |
| Designated Intermediaries | The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue |
| Designated Market Maker | Beeline Broking Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations |
| Designated RTA Locations | Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant sand a list of which is available on the website of SEBI athttps://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.<br>Recognized Intermediaries or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | SME Exchange of BSE Limited ("BSE SME") (BSE) |
| Draft Prospectus | This Draft Prospectus dated February 17, 2023 filled with the SME Platform of BSE, prepared and issued by our Company in accordance with SEBI ICDR Regulations |
| Eligible NRI | NRIs from 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 subscribe to the Equity Shares Allotted herein. |
| Eligible QFIs | Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations |
| Electronic Transfer of Funds | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable |
| Escrow Account(s) | Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount |
| Escrow Agreement | An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof. |
| Escrow Collection Bank(s) | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being ICICI Bank Limited. |
| First Applicant | Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary |

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|---|---|
| | account held in joint names or in any revisions thereof |
| Foreign Portfolio Investor /FPIs | Foreign Portfolio Investor as defined under SEBI FPI Regulations |
| General Information Document/ GID | 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, notified by SEBI, suitably modified and included in the chapter titled "Issue Procedure" on page 181 of this Prospectus |
| Issue Agreement | The agreement dated February 02, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue |
| Issue Opening Date | The date on which the Issue opens for subscription |
| Issue Closing date | The date on which the Issue closes for subscription. |
| Issue Period | The periods between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders. |
| IPO | Initial Public Offering |
| Issue / Issue Size / Public Issue | The Public Issue of 24,12,000 Equity Shares of Face Value of ₹ 10 each at Rs. 175 (including premium of Rs. 165) per Equity Share aggregating to Rs. 4,221.00 Lacs by Bizotic Commercial Limited. |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 175. |
| Issue Proceeds | The proceeds from the Issue based on the total number of equity shares allotted under the issue |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Interactive Financial Services Limited |
| Listing Agreement | The Listing Agreement to be signed between our Company and SME Platform of BSE Limited ("BSE SME") |
| Market Making Agreement | The Market Making Agreement dated February 02, 2023 between our Company, Lead Manager and Market Maker |
| Market Maker Reservation Portion | The reserved portion of 1,20,800 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at a price of Rs. 175 per Equity Share including a share premium of Rs. 165 per Equity Share aggregating to Rs. 211.40 Lakhs for the Market Maker in this Issue |
| MSME | Micro Small and Medium Enterprises |
| Mutual Fund(s) | Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| NBFC | Non- Banking Financial Companies |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of 22,91,200 Equity Shares of ₹10 each at Rs. 175 per Equity Share aggregating to Rs. 4009.60 Lacs by Bizotic Commercial Limited. |
| Net Proceeds | The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled "Objects of the Issue" on page 55 of this Prospectus |
| Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII | All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000. |
| NPCI | National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India and Indian Banks Association (IBA) |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated |

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| | organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, 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 may require. |
| Prospectus | The Prospectus dated May 31, 2023 issued in accordance with Companies Act filed with the SME Platform of BSE Limited ("BSE SME") under SEBI (ICDR) Regulations 2018. |
| Public Issue Account | An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors. |
| Qualified Institutional Buyers / QIBs | Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations |
| Refund Account | Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made. |
| Refund through electronic transfer of funds | Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable. |
| Registered Brokers | Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of BSE Limited having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012 |
| Registrar Agreement | The agreement dated February 02, 2023 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue. |
| Registrar and Share Transfer Agents or RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registrar/ Registrar to the Issue | Registrar to the Issue being Bigshare Services Private Limited |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000. |
| Revision Form | The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidder scan revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date |
| SCSB | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available on the website of SEBI athttps://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. |
| SME Platform of BSE | The SME platform of BSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations. |
| Sponsor Bank | A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being ICICI Bank Limited. |
| Syndicate Member | Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter. |
| TRS / Transaction Registration Slip | The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form |

| | |
|---|---|
| UPI | Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c. |
| UPI Circulars | SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018,SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard |
| UPI ID | ID Created on the UPI for single-window mobile payment system developed by NPCI. |
| UPI Mandate Request | A request (intimating the RIB (Retail Individual Bidder) by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars. |
| UPI PIN | Password to authenticate UPI transactions. |
| Underwriters | Underwriters to the issue are Interactive Financial Services Limited. |
| Underwriting Agreement | The Agreement entered into between the Underwriters and our Company dated February 02, 2023 |
| U.S Securities Act | U.S Securities Act of 1933, as amended |
| Wilful Defaulter | Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI ICDR Regulations. |
| Working Days | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business.<br>1. However, in respect of announcement of price band and Bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business.<br>2. In respect to the time period between the Bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |

**TECHNICAL AND INDUSTRY RELATED TERMS**

| Term | Description |
|---|---|
| BCFRL | Bella Casa Fashion & Retail Ltd |
| CAD | Computer-Aided Design |
| CAM | Computer-aided manufacturing |
| CII | Confederation of Indian Industries |
| COCPC | Cotton Production and Consumption |
| COEK | Center of Excellence for Khadi |
| ERP | Enterprise resource planning |
| FMCG | Fast-moving consumer goods |
| GCC | Gulf Cooperation Council |
| HMA | Handloom Marketing Assistance |
| ICAC | International Cotton Advisory Committee |

| | |
|---|---|
| ICIL | Indo Count Industries Ltd |
| IMF | International Monetary Fund |
| KGS | Kilograms |
| KVIC | Khadi and Village Industries Commission |
| MBA | Master of Business Administration |
| MTRS | Meters |
| MHHDCL | Manipur Handloom & Handicrafts Development Corporation Limited |
| MMF | Man-Made Fabrics |
| NOS | Numbers |
| NIFT | National Institute of Fashion Technology |
| NHDP | National Handloom Development Programme |
| PPE | Personal Protective Equipment |
| PICS | Pieces |
| Sq. Mtrs | Square Meters |
| SIPCOT | State Industries Promotion Corporation of Tamil Nadu Ltd |
| SAMARTH | Scheme For Capacity Building In Textile Sector |
| SVPISTM | Sardar Vallabhbhai Patel International School of Textiles and Management |
| SUSTEX | Sustainable Textiles for Sustainable Development |
| WESP | World Economic Situation and Prospects |
| WEO | World Economic Outlook |

**CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS**

| Term | Description |
|---|---|
| A/c | Account |
| Act or Companies Act | Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time |
| AGM | Annual General Meeting |
| AIF(s) | Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations |
| ASBA | Application Supported by Blocked Amount |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India. |
| AY | Assessment Year |
| Bn | Billion |
| BG | Bank Guarantee |
| BHIM | Bharat Interface for Money |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation Allocation Note |
| CARO | Companies (Auditor's Report) Order, 2016, as amended |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CIN | Corporate Identity Number |
| CIT | Commissioner of Income Tax |
| CRR | Cash Reserve Ratio |
| Depositories | NSDL and CDSL |
| Depositories Act | The Depositories Act, 1996 as amended from time to time |
| Depository | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time |
| DIN | Director's Identification Number |
| DP/Depository Participant | A Depository Participant as defined under the Depository Participant Act, 1996 |
| DP ID | Depository Participant's Identification Number |
| EBIDTA | Earnings Before Interest, Depreciation, Tax and Amortization |

| | |
|---|---|
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EPS | Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year |
| FDI | Foreign Direct Investment |
| Financial Year/ Fiscal Year/ FY | The period of twelve months ended March 31 of that particular year |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time |
| FEMA Regulations | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended. |
| FII | Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India |
| FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended. |
| FIs | Financial Institutions |
| FIPB | Foreign Investment Promotion Board |
| FPI | Foreign Portfolio Investor |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| Gov/Government/GOI | Government of India |
| GST Act | The Central Goods and Services Tax Act, 2017 |
| GST | Goods and Services Tax |
| GSTIN | GST Identification Number |
| HUF | Hindu Undivided Family |
| HNI | High Net Worth Individual |
| ICAI | Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standard |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| INR/ Rs. / Rupees / ₹ | Indian Rupees, the legal currency of the Republic of India |
| IPO | Initial Public Offering |
| KMP | Key Managerial Personnel |
| Ltd. | Limited |
| LM | Lead Manager |
| MCA | Ministry of Corporate Affairs |
| Merchant Banker | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended. |
| MOF | Minister of Finance, Government of India |
| MOU | Memorandum of Understanding |
| MSMEs | Micro, Small & Medium Enterprises |
| NA | Not Applicable |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value |
| NEFT | National Electronic Fund Transfer |
| NPCI | National Payments Corporation of India |
| NOC | No Objection Certificate |
| NR/ Non-Residents | Non-Resident |
| NRE Account | Non-Resident External Account |

| | |
|---|---|
| NRI | Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue. |
| p.a. | Per annum |
| P/E Ratio | Price/ Earnings Ratio |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| PIO | Person of Indian Origin |
| PLR | Prime Lending Rate |
| RBI | Reserve Bank of India |
| R & D | Research and Development |
| RBI Act | Reserve Bank of India Act, 1934, as amended from time to time |
| RONW | Return on Net Worth |
| ROCE | Return on Capital Employed |
| RTGS | Real Time Gross Settlement |
| SAT | Security Appellate Tribunal |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to Time |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to time |
| SEBI Insider Trading Regulations | SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time. |
| SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time |
| SEBI Rules and Regulations | SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time. |
| Sec. | Section |
| Securities Act | The U.S. Securities Act of 1933, as amended. |
| SENSEX | Stock Exchange Sensitive Index |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SME | Small And Medium Enterprises |
| SME Exchange | SME Platform of BSE Limited |
| Stamp Act | The Indian Stamp Act, 1899, as amended from time to time |
| State Government | The Government of a State of India |
| Stock Exchanges | Unless the context requires otherwise, refers to, the BSE Limited |
| STT | Securities Transaction Tax |
| TAN | Tax Deduction Account Number |
| TDS | Tax Deducted at Source |

| | |
|---|---|
| TIN | Tax payer Identification Number |
| Tn | Trillion |
| UIN | Unique Identification Number |
| U.S. GAAP | Generally accepted accounting principles in the United States of America. |
| VCFs | Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations. |
| YoY | Year on Year |

## FORWARD LOOKING STATEMENTS

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

All statements contained in this Prospectus that are not statements of historical facts constitute 'forward-looking statements. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "Risk Factors", "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages nos. 18, 75 and 144 of this Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references to "India" contained in this Prospectus are the Republic of India.

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

### Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements for the period ended December 31, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Prospectus, and set out in the section titled 'Restated Financial Information' beginning on page no. 106 of this Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled 'Risk Factors', 'Business Overview' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 18, 75 and 144 respectively of this Prospectus and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### Industry and Market Data

Unless stated otherwise, industry data used throughout this Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified.

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

### Currency and units of presentation

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

• 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.

• 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency,
All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

## SUMMARY OF ISSUE DOCUMENT

### SUMMARY OF BUSINESS OVERVIEW

We are engaged into the business of manufacturing, designing and marketing of readymade garments offering diverse range of men's Formal Wear, Casual Wear, Party Wear, Fit Wear, Sports Wear, Comfort Wear, Ethnic Wear, Winter Wear. We serve our customers through the channels of retail stores and e-commerce. Our garment manufacturing process includes cutting, stitching, sewing, finishing, inspection and packing. We outsource the entire garments manufacturing on job work basis from third party contractors from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications, procure the requisite raw materials at their own costs and begin the manufacturing process. The products delivered to us from third party contractors are completely finished and packaged to our warehouse/stores. However, we have not entered into Job work agreement.

For more details, please refer chapter titled "Business Overview" on page 75 of this Prospectus.

### SUMMARY OF INDUSTRY

The World Economic Outlook (WEO) of October-2021 has estimated India's economy to become the sixth largest in the world. The size of the Indian economy is estimated at US$ 2.9 trillion in 2021.

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (43million bales of 170 kg each) by 2030, driven by increasing demand from consumers

For more details, please refer chapter titled "Industry Overview" on page 69 of this Prospectus.

### PROMOTERS

The Promoters of our Company are Sanjay Gupta and Sangita Aggarwala.

For detailed information please refer chapter titled, "Our Promoters and "Our Promoter Group" on page 102 of this Prospectus.

### ISSUE SIZE

Initial Public Issue of 24,12,000 Equity Shares of face value of ₹10/- each of Bizotic Commercial Limited ("BCL" or the "Company" or the "Issuer") for cash at a price of ₹175/- per Equity Share including a share premium of ₹165/- per equity share (the "issue price") aggregating to ₹ 4221.00 lacs ("the issue"), of which 1,20,800 Equity Shares of face value of ₹10/- each will for cash at a price of ₹ 175/- per Equity Share including a share premium of ₹165/- per equity share aggregating to ₹ 211.40 lacs 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 22,91,200 Equity Shares of face value of ₹10/- each at a price of ₹175/- per equity share aggregating to ₹ 4009.60 lacs is herein after referred to as the "Net Issue". The issue and the net issue will constitute 30.00% and 28.50% respectively of the post issue paid up equity share capital of our company.

### OBJECTS OF THE ISSUE

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

**Net Proceeds**

The details of the proceeds of the issue are summarized in the table below:

| Sr. No. | Particulars | Estimated Amount (₹ In lakhs) |
|---|---|---|
| 1. | Gross proceeds from the issue | 4221.00 |
| 2. | Less: Issue related expenses | 360.00 |
| **Net proceeds of the issue** | | **3861.00** |

**Requirement of funds and utilization of Net Proceeds**

| Sr. No. | Particulars | Estimated Amount (₹ In lakhs) |
|---|---|---|
| 1. | Setting up Retail network by establishing company owned and company operated stores | 460.00 |
| 2. | Repayment of Loan | 170.00 |
| 3. | Long-term Working capital requirement | 2270.00 |
| 4. | General corporate purposes | 961.00 |
| **Total utilization of net proceeds** | | **3861.00** |

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

| Sr. No | Name of share holder | Pre-issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No of equity shares | As a % of Issued Capital | No of equity shares | As a % of Issued Capital |
| **(i) Promoter** | | | | | |
| 1. | Sangita Aggarwala | 5625800 | 99.96 | 5625800 | 69.97 |
| 2. | Sanjay Gupta | 1700 | 0.03 | 1700 | 0.02 |
| | **TOTAL (A)** | **5627500** | **99.99** | **5627500** | **69.99** |
| **(ii) Promoter Group** | | | | | |
| 3. | Darshandevi Gupta | 100 | 0.00 | 100 | 0.00 |
| | **TOTAL (B)** | **100** | **0.00** | **100** | **0.00** |
| **(iii) Public** | | | | | |
| 4. | Mohit Agarwal | 100 | 0.00 | 100 | 0.00 |
| 5. | Mohit Agarwal (HUF) | 100 | 0.00 | 100 | 0.00 |
| 6. | Dharamveer Singh | 100 | 0.00 | 100 | 0.00 |
| 7. | Inderpreet Kaur Gulati | 100 | 0.00 | 100 | 0.00 |
| | IPO | - | - | 2412000 | 30.00 |
| | **Total (C)** | **400** | **0.01** | **2412400** | **30.01** |
| | **Total (A+B+C)** | **5628000** | **100.00** | **8040000** | **100.00** |

**SUMMARY OF FINANCIAL INFORMATION**

| Particulars | For the Period ended on December 31, 2022 | For the Year ended on March 31, 2022 |
|---|---|---|
| Share Capital (₹ in Lakhs) | 562.80 | 1.00 |
| Net worth (₹ in Lakhs) | 865.52 | 123.17 |
| Revenue from Operation (₹ in Lakhs) | 3,748.26 | 5,341.39 |
| Other Income (₹ in Lakhs) | 1.15 | 0.58 |
| Profit after Tax (₹ in Lakhs) | 290.28 | 59.57 |
| Earnings per share (Basic & diluted) (₹) | 5.37 | 595.69 |
| Net Asset Value Per Share (Rs) (Pre Bonus Issue) | 15.38 | 1,231.66 |
| Net Asset Value Per Share (Rs) (Post Bonus Issue) | 15.38 | 2.29 |
| Total borrowings (₹ in Lakhs) | 369.40 | 256.48 |

**QUALIFICATIONS OF AUDITORS**

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

**SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS**

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

| Particular | Nature of cases | No of outstanding cases | Amount involved (₹ in lacs) |
|---|---|---|---|
| Litigation against Company | - | 0 | 0 |
| Litigation by the Company | Criminal Litigations | 8 | 49.50 |
| Litigation against the Director of the Company | - | 0 | 0 |
| Litigation filed by the promoter and directors of the Company | - | 0 | 0 |
| Litigation against Group Company | - | 0 | 0 |

For further details, please refer chapter titled "Outstanding Litigations & Material Developments" beginning on page 152 of this Prospectus.

**RISK FACTORS**

For details relating to risk factors, please refer section titled "Risk Factors" on page 18 of this Prospectus.

**SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY**

As on the date of filing this Prospectus there is no contingent liability on the Company.

For detailed information of Contingent Liabilities of our Company, please refer chapter titled "Restated Financial Information" beginning on page 106 of this Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

**(A). Name of Related Party & Nature of Relationship:**

Key managerial personnel and their relatives:

**a.** Sanjay Gupta- Managing Director
**b.** Sangita Aggarawala- Promoter
**c.** Vedprakash Bhadarmal– Promoter's Relative
**d.** Annmol Agrgawala- Promoter's Relative
**e.** Indrapreet Kaur Gulati- Director and Chief Financial Officer
**f.** Amanjeet singh Gulati- Relative of Director
**g.** Mohit Agrawal HUF- Enterprise in which Director/Relative of Director is Interested
**h.** Mahavir Textile- Enterprise in which Director/Relative of Director is Interested

For detailed information on the related party transaction executed by our Company, please refer chapter titled "Restated Financial Information" beginning on page 106 of this Prospectus.

**FINANCING ARRANGEMENTS**

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

**WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS**

The promoters have not acquired any Equity Shares in the last one (1) year preceding the date of this Prospectus other than stated below:

| Sr. No | Name of Promoter | No of Equity Shares acquired in the last one year from the date of this Prospectus | Weighted Average Cost of Acquisition (in Rs) |
|---|---|---|---|
| 1. | Sangita Aggarwala | 56,15,900 | 8.04 |
| 2. | Sanjay Gupta | 1,600 | 0.00 |

**AVERAGE COST OF ACQUISITON**

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

| Sr. No. | Name of Promoters | No. of Equity Shares held | Average Cost of Acquisition in ₹ |
|---|---|---|---|
| 1. | Sangita Aggarwala | 56,25,800 | 8.03 |
| 2. | Sanjay Gupta | 1,700 | 29.41 |

**DETAILS OF PRE-ISSUE PLACEMENT**

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

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

Except as set out Below, our Company has not issued Equity Shares for consideration other than cash.

| Date of Allotment | No. of Total Equity Shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Name of Allottees | No. of Shares Allotted | Nature of Allotment | Benefit Accrued |
|---|---|---|---|---|---|---|---|
| December 02, 2022 | 53,60,000 | 10 | NA | Sangita Aggarwala | 53,58,000 | Bonus Issue in the ratio of 20:1 | Retaining Interest of the Shareholders |
| | | | | Sanjay Gupta | 2,000 | | |

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

Our Company has not undertaken a split or consolidation of the Equity Shares in last one year.

## SECTION II – RISK FACTORS

*Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 75 and 144, respectively of this Prospectus, as well as the other financial and statistical information contained in this Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

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

- *Some risks may not be material at present but may have a material impact in the near future.*
- *Some risks may not be material individually but may be found material when considered collectively*
- *Some risks may have material impact qualitatively and not quantitatively and vice-versa*

*We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*This Prospectus also 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 Prospectus. For further details, please refer to chapter titled "Forward-Looking Statements" beginning on page 12 of this Prospectus.*

*Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled "Restated Financial Information" beginning on page 106 of this Prospectus.*

**INTERNAL RISK FACTORS:**

1. ***We do not own our registered office.***

   Our Registered Office is located at D-8 Samet Business Park, Nr. Khokra Circle, Khokra Ahmedabad GJ 380008, India. The registered office is not owned by us. Our company has taken premises on rental basis from Sanjay Bhanvarlal Mehta. The premises have been taken by us on lease for a period of 11 Months only from December 01, 2022. There can be no assurance that the term of the agreements will be renewed and in the event the lessor/licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we may require to vacate the registered office and identifying alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

2. ***Substantial portion of our revenues has been dependent upon our few customers. The loss of any one or more of our major customers would have a material effect on our business operations and profitability.***

Our customers include various distributors that market our products, direct sellers, wholesalers, fabric traders and also large corporate houses. For the six-month period ended December 31, 2022, our top ten customers accounted for approximately 80.05% of our gross revenue from operations. The loss of any significant customers would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business with these customers or that we will be able to replace these customers in case we lose any of them. Furthermore, major events affecting our customers, such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major customers becomes bankrupt or insolvent, we may lose some or all of our business from that customers and our receivable from that customers would increase and may have to be written off, impacting our income and financial condition.

3. ***Out of Outstanding Debtors as on December 31, 2022 of Rs. 1345.18 Lakhs, the debtors outstanding for more than 3 years are Rs. 62.27 lakhs.***

The average credit period given by the Company to the customers is 120 days. However, the debtors outstanding as on December 31, 2022 of Rs. 62.27 Lakhs are more than 1095 days. The Company's collection policy is not correct hence recovery is slow and the debtors outstanding for more than 1095 days are doubtful to recover. Apart from that, the debtors outstanding of ₹13.62 lakhs are also disputed as reported by the Peer Review Auditor of the Company. If the Company fails to recover the amount from the outstanding debtors the financial position and cash flow of the Company will be affected adversely.

4. ***We have not executed Franchisee Agreement with many of our Franchisees.***

We are running our business through our 04 own showrooms and through our 17 Franchisees. We have not executed agreements/contracts with all of our franchisees. Only letter of intent has been issued to 06 Franchisees and the same has been neither accepted nor signed by the concerned franchisee, but till date they are working as our franchisee. In absence of any written contract, we are not sure that they will continue to work for us on the existing terms and conditions. In the event of their discontinuation as franchisee, we cannot legally enforce any right over them, which will adversely affect our business, revenue and profitability.

5. ***We have not executed any agreement with any of our Job workers contractors.***

We are getting our eighty percentage of readymade garments ready throughout sourcing work on job work basis to outside parties. We have neither any written agreement nor any commitment with any of our job workers. In absence of any type of the commitment with the job workers, we are not sure that they will continue to work with us as job workers at commercially acceptable rates. Generally, we are getting rates for our out sourcing work every time a fresh, so according to us, we are not required to entered in to any type of contract with the job workers. However, if, any of the job works contractor refuse to work for us, our supply will be temporarily affected which will adversely, affect our cost, profitability and liquidity.

6. ***There are certain outstanding legal proceedings involving our Company, Promoter and Director. Any failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, result of ongoing operations and reputation.***

There are outstanding litigations filed by our Company. The details of this legal proceeding are given below in the following table:

**(₹ in lacs)**

| Particular | Nature of cases | No of outstanding cases | Amount involved |
|---|---|---|---|
| Litigation By Our Company | Criminal Litigation | 8 | 49.50 |

For further details regarding outstanding litigations by and against companies please refer the chapter "Outstanding Litigations and Material Development" on page no. 152 of this Prospectus

7. ***Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for

obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspend and/or cancel the approval/licenses which may affect our business adversely.

For more information about the licenses required in our business, please refer section "Government and other statutory approvals" beginning on page no. 158 of this Prospectus.

8. ***We may not be able to successfully execute our expansion strategy of strengthening our sales network by opening new showrooms, in a timely manner, if at all, which could harm our results of operations.***

We distribute our portfolio of products through "Urban United" brand showrooms. While we intend to continue our expansion in north India, by opening additional "Urban United" brand showrooms. As on the date of the Prospectus, there were 21 "Urban United" Brand showrooms in Rajasthan & Bihar. However, we have not identified any specific locations or entered into discussion with franchise partners for new "Urban United" Brand showrooms and our ability to effectively execute our expansion strategy depends on our ability and that of our franchisees to open new showrooms successfully.

If we are unable to successfully execute our expansion strategy by way of opening and operating additional showrooms, our business, results of operations and financial condition may be materially and adversely affected.

9. ***Our Company has yet to apply for registration under Rajasthan Shops and Commercial Establishment Act, 1958 for our Chittorgarh Store/Showroom, with the concerned authority for the below stated show rooms in the Rajasthan State.***

We are having our own 04 Showrooms/stores in the state of Rajasthan. According the existing provisions of Rajasthan Shops and Commercial Establishment Act, 1958, we have to get registration under the act for our all the four stores. Up till now, we have not yet applied for registration of certificates for our Chittorgarh Store/Showroom to the Rajasthan Labour Department.

As it is mandatory to get registration of all the four showrooms and register office, under the above acts, in future, we may require to make payment of arrears of professional Tax and license fees for registration as Commercial Establishment with penalty and interest. If, such event take place in future our liquidity and profitability will be adversely affected.

10. ***Late Deposits of Tax Deducted at Source (TDS) with the Income Tax Authority.***

We are deducting income Tax from Salary and other payments as per the provisions of the Income Tax Act, 1961. The same is required to be deposited with the Income Tax Authority within prescribed time limit. After deducting TDS, our company does not deposit the amount of TDS with the authority within time limit. Under the circumstances, we deposit the same with interest. If we do not deposit the TDS amount in time, in future, we may be liable to pay TDS amount with interest and penalty and prosecutions against the directors & the Company, if any.

11. ***Resolution passed under section 180(1)(C) in respect of borrowing power has not been filed with the Registrar of Companies.***

Our company has passed resolution under section 180(1)(C) in the Extra-Ordinary General Meeting held on April 15, 2017 for prescribing the borrowing limit of the company, according to which our borrowing should not exceeds at any time more than Rs. 10 Cr. As per the provisions of the companies Act, the said resolution is required to be filed with the Registrar of Companies within 30 days. Our company has not filed the same with the RoC. Therefore, we may require to file the same with late fees and penalty. The Company will have to face the actions under the Companies Act,2013 from the office of Registrar of Companies, Ahmedabad.

12. ***Three Directors are appointed through single resolution.***

The Company had filed the Form DIR -12 on December 31, 2022 with the Registrar of Companies in respect of appointment of three Independent Director along with the Resolution appointing all the three directors in a single resolution. According to the provisions of the Companies Act, 2013, directors are to

be appointed through separate resolution. In the event of, if any cognizance is being taken off by the concerned authorities in respect of above inaccuracy, actions may be taken against our Company and directors, in such event the company has to pay the penalty.

13. ***Non availability of E Form - CHG 1 for Creation of Charge in respect of Loans taken by the company.***

Our company had availed Working Capital Loan of Rs. 6,30,000 and Rs. 28,49,000 from Indusind Bank Limited and Axis Bank Limited for which the e Form CHG - 1 for creating and registering Charge, filed with the Registrar of Companies, Ahmedabad is not found in the record. On verification of the website of MCA (www.mca.gov.in), we found the said charge in the Register of Charges maintained by the MCA. This is just to bring to the notice of public at large.

14. ***Our Company has unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.***

As on December 31, 2022, our Company has availed of unsecured loans repayable on demand aggregating to Rs.146.86 Lacs. In case of any demand by the lender for the repayment of unsecured loan lender may take legal action against or company. Any such demand from the lenders for repayment of such unsecured loans may adversely affect the financial condition and result of operations of our Company reputation also.

15. ***Our future success depends significantly on the continued service of our promoters, management team and other key personnel.***

We depend on our experienced promoters, management team for our success and future growth loss of one or more key executives could have a negative impact on our business and growth. The industry experience, expertise and contributions of our promoters, management team, key personnel and our Promoters are essential for our continuing success. We may be unable to replace key members of our management team and key employees in the event we lose their services as there is intense competition for qualified personnel in our business. Lose of any senior management team members may have adverse effect on our sales, business operations and profitability.

16. ***Our business depends upon continuance of our franchise stores and any termination of the franchisee store / agreements could adversely affect our business and results of operations.***

The success of our business depends on continuance of our franchise stores. There can be no assurance that the term of the agreements will be renewed on the existing terms and conditions or may not renewed. Under the circumstances we may loss the franchisee store, which will affect adversely our business and financial Results.

17. ***If demand for our products accounting for major portion of our revenue declines or if we do not successfully commercialize our products, or if the sale is delayed, our business and the results of operations may be adversely affected.***

Any reduction in demand for our products could adversely affect our business and financial condition. Further, although, we believe that our products have a unique style, introduction of products with similar or better style by our competitors in future could have adverse effect on our business interests and financial condition. Further, we need to carry out successfully marketing of our products. We believe that we have been successfully able to commercialize and market our products without any undue delay in the past, however, we cannot assured that we will be able to do so in the future also. In the event, we do not successfully commercialize our products or if our commercialization is unduly delayed for any reason whatsoever, it may affect our business operations and growth prospects. Any reduction in demand for our products in the due to above stated reasons could adversely affect our business and financial conditions.

18. ***In the case of any defect in our products, we will be answerable to customers and incur substantial costs which in turn could adversely affect the value of our brand, and our sales could diminish and are subjected to any negative publicity.***

We believe that we have been able to maintain quality standards of our products and that there have been no major defects in our products in the past. However, in the event of any major defects in our products in

future, we will be liable to the customers and have to replace the /remove the defect by calling that products back from the market, which may incur substantial costs. This would adversely affect our financial condition, value of our brand and our sales due to negative publicity.

***19. Some of our debtors have raised dispute about the outstanding amount.***

We are dealing with number of customers, franchisee as a part of our business transaction. Our majority of business transaction with them are on credit basis as per our business policy. In almost all the cases the transactions with majority of customers are smooth and regular in respect of timely payment of their dues. However, in few cases the debtors have raised dispute about the transaction with them, which is required to be reconciled and settled with them. Such settlement may not be always in favour and in some cases, we may require to take legal course to recover our legitimate claim. In such circumstances, we have to spent time, money and also spoil the business relation with such customers, which will adversely affect our business, profitability and liquidity.

***20. Our Company depends on timely identification of evolving fashion trends and creating new designs. Any Delay on the part of our Company in this regard may adversely affect our business operations.***

Our business is driven by recent clothing fashion trends which is dynamic and ever changing and we may not be able to adapt to such changes and maintain our growth in face of the competitive environment that we currently operate in. We maintain a team of experienced person who design and develop the products as per customer's needs and ascertaining the future market trend of our products. This team works on the development of designs by analyzing the needs of clients by parameters like latest combinations, new techniques & patterns and most importantly the feedback gained from the sales of the similar products that were designed earlier. Our inability to tap the changing fashion can lead to rejection and obsolescence of our garments, which result in to piling of stock which we have to sell at lower price, business operations and financial conditions. Although our Promoters and the key managerial personnel have considerable knowledge of the industry, we cannot assure if they can manage to keep up with the pace of constant changes and diversification. Further, since we operate in a highly competitive environment, it cannot be assured that we will be able to keep pace with our competitors in terms of investments in expansion, acquisitions for inorganic growth, etc. If we cannot keep pace with our competitors or continuously generate new products, our business and financial conditions may be adversely affected.

***21. Our revenues and profits are dependent on several factors. Any adverse change in these factors or in Combination of these factors may affect our business operations and the financial condition and consequently, our ability to pay dividends.***

Our revenues and profits are dependent on several factors such as retaining our key managerial personnel, our complying with laws, recurring orders from our clients, managing costs and expenses, maintaining adequate inventory levels and general market conditions. Any adverse change in these factors or a combination of these factors may adversely affect our business operations and the financial condition. Further, our ability to pay dividends will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lender's approvals and other factors. Therefore, although, we have consistently maintained the profit levels and reserves, there can be no assurance that we shall have distributable funds or that we will declare dividends.

***22. Our operations in trading of garments through showrooms are limited to the state of Bihar and Rajasthan.***

We are selling our readymade garments products to end users through our own showrooms and our franchisee spread over to the state of Bihar and Rajasthan only. Yet we have not developed market for our readymade garment in other state. As our business of garment is concentrated within the state of Bihar and Rajasthan, the opportunity to grow business will be limited. In the event of any natural or manmade calamity in the state of Gujarat and/or Rajasthan our entire business operation comes to stand still. Under the circumstances our business, revenue and our profitability will be adversely affected.

***23. We are dependent on third party transportation service providers for delivery of readymade garments to us and to our various showrooms and franchisee.***

We are significantly dependent on third party transportation service providers for the delivery of readymade garments o us and our showrooms and franchisee. Uncertainties and risks such as transportation strikes, failure to book parcel/vehicle or delay in supply of garments due to non-availability of transportation services or vehicle breakdown could have an adverse effect on our supplies and deliveries to showrooms and franchisee Additionally, our readymade garments may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to transport the products to our showrooms and franchisee in a timely, efficient and reliable manner could adversely affect our business, results of operations and financial condition.

Further, we have not entered into any agreements or contracts with our transporters and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transporters services will be always timely available at reasonable rates, which could adversely affect our business, results of operations and financial condition.

***24. We have been recently converted into public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.***

Our Company has been incorporated as a private limited company pursuant to the provisions of Companies Act, and converted into a public limited company pursuant to special resolution passed at the Extra Ordinary General Meeting. Prior to conversion, the provisions pertaining to public limited companies of the Companies Act, 1956/2013 were not applicable to us. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act 1956/2013. Further, our Company needs to additionally comply with provisions of SEBI ICDR Regulations and SEBI (LODR) Regulations.

Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation.

***25. We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and logistics agencies***

Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us; hiding unauthorized or unsuccessful trading activities from us; or the improper use of confidential information. Such misconduct could result in unexpected business risks, losses, invite regulatory sanctions and seriously harm our reputation and could even lead to litigation. We are taking necessary precautions to prevent and detect these types of activities but it may not always be effective. Even any fraud or misconduct by logistics agency or its employees may also affect our business, reputation adversely. Any delinquencies or trading errors on the part of our employees or logistic agency could materially affect our business operations, financial position and/or reputation.

***26. We may not be able to sustain effective implementation of our business and growth strategies.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies successfully in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to implement business and growth strategy successfully will have adverse effect on our business operations, revenue and profitability.

***27. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.***

We operate in a highly competitive business environment. Growing competition in the domestic market from domestic players and/or the international players, we are subject to pricing pressures and require us to reduce the prices of our products in order to retain and/or attract new customers, which may have a material adverse effect on our revenues and margins. Some of our competitors may be increasing their capacities and

targeting the same products in which we are dealing. There can be no assurance that we can continue to effectively compete with our competitors in the future, any failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

28. ***Any failure to maintain, protect and enhance the recognition and reputation and brand image of our Company and our products could limit our ability to retain or expand our customer base and may adversely affect our business.***

Maintaining leading brands is key factor in the online business segment, and competition among online offerings tends to favor the market participants with the strongest brands. Consequently, the recognition and reputation of our quality product is critical for the growth and continued success of our business. As competition in our markets intensifies, we anticipate that maintaining and enhancing our quality products portfolios will become increasingly difficult and expensive, and investments to increase the value of our products may not be successful. Any failure to provide satisfactory services to on line customers with regard to timely delivery, quality of the products and after sales services, will adversely affect our business, financial condition, and profitability and brand image.

29. ***Our Company is subject to high working capital requirements and our inability to fund these requirements in a timely manner may adversely impact our financial performance.***

Our Company is engaged in trading of readymade garments through our own Showrooms and franchisee stores. For the current year i.e. FY 2021-22 the Company's net working capital requirement is ₹311.95 lakhs as against the ₹520.92 lakhs as on December 31, 2022. Our net working capital requirement is estimated at ₹1129.32. As on the date of this Prospectus we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans from the Banks etc. The detail calculation of working capital requirement of the Company is given below.

**(₹In Lacs)**

| Particulars | 31.03.2020 | 31.03.2021 | 31.03.2022 | December 31, 2022 | 31.03.2023 | 31.03.2024 |
|---|---|---|---|---|---|---|
| | Audited | Audited | Audited | Audited | Provisional | Projected |
| Finished Goods | 421.61 | 740.21 | 1283.68 | 2163.40 | 1147.08 | 4578.67 |
| Trade Receivables | 455.66 | 951.32 | 2120.20 | 1345.18 | 2863.46 | 3434.00 |
| Cash and Bank Balances | 10.71 | 2.08 | 10.35 | 67.07 | 92.22 | 138.77 |
| Short term loans and Advances | 171.16 | 167.69 | 256.45 | 291.70 | 28.54 | 450.00 |
| Other Current Assets | 1.53 | - | - | - | - | - |
| **Total** | **1060.67** | **1861.30** | **3670.68** | **3867.35** | **4131.30** | **8601.44** |
| Less : | | | | | | |
| Trade Payables | 781.71 | 1317.46 | 2933.12 | 2073.08 | 2523.29 | 4521.43 |
| other Current Liabilities | 54.33 | 66.07 | 37.40 | 200.92 | 343.83 | 200.00 |
| Short Term Provisions | 7.00 | 14.01 | 25.87 | 123.55 | - | 200.00 |
| Other Long-Term Liability | 153.00 | 352.10 | 362.34 | 340.48 | - | 650.00 |
| **Total Liabilities** | **996.04** | **1749.64** | **3358.73** | **2738.03** | **2867.12** | **5571.43** |
| Net Working Capital | 64.63 | 111.66 | 311.95 | 1129.32 | 1264.18 | 3030.00 |
| Financed through Capital Internal Cash Accruals | | 27.24 | 55.47 | 759.93 | 791.98 | 760.00 |
| Long term and short term borrowings | 64.63 | 84.42 | 256.48 | 369.39 | 345.01 | - |
| Fund from IPO in 2023-24 | | | | | | 2270.00 |

If we are not able to manage the working capital requirement properly then the growth, profitability and business will be adversely affected.

30. ***Our corporate logo***  ***is registered on name of Anmol*** **Aggarwala**, ***relative of our Promoter Sangita Aggarwala.***

We have our corporate logo  for our garments, but the same is registered with the Trade Marks and patents Authority on the name of Anmol Aggarwala, Proprietor of AA And Brothers. Anmol Aggarwala has given his written consent on behalf of AA And Brothers to use the said logo as a brand of the Company. We operate in an extremely competitive environment, we are dealing in the business of readymade garments, where name and reputation has much more value, and we have created our image and reputation among our buyers, which is a significant element of our business strategy and success. Currently, our logo is not registered on our name with the Authority. If he restrains us from using the logo there are chances of getting damage to our business prospects, reputation and goodwill and misuse of our designs also.

***31. Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.***

We are insured for the risks associated with our trading business activities on online business operations through Insurance policy. We believe that we have got our assets and stock adequately insured; however our policy of covering these risks through insurance may not always be effective or adequate there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance policy or exceeds our insurance coverage, our business and results of operations could be adversely affected.

***32. Our Promoters, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoters and Directors and key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled "Business Overview" and "Our Promoters and Promoter Group", beginning on page 75 and 102 respectively and the chapter titled "Annexure 31 - Related Party Transactions" on page 134 under chapter titled "Restated Financial Information" beginning on page 106 of this Prospectus.

***33. We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations, liquidity and financial condition.***

Our Company had negative cash flows from operating activities, in the previous years as per the Restated Financial Statements and the same are summarized as under.

(₹ In Lacs)

| Particulars | December 31, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| Net Cash Generated from Operating Activities | (407.12) | (132.15) | (200.41) | (285.28) |

For details, please refer "Management's Discussion and Analysis of Financial Conditions and Results of Operations of our Company" on page no. 144 of this Prospectus.

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

***34. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.***

We have entered into certain transactions with related parties with our Promoter, Promoter Group, Directors and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could have obtained better and more favorable terms than from transaction with related parties. Additionally, our company belief that all our related party

transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to *"Annexure 31" Related Party Transactions"* on page 134 of Restated Financial Information.

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

In terms of Regulation 41 of SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 100 cr. 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 Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE.

***36. We have not identified any alternate source of financing the 'Objects of the Issue'. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled *"Objects of the Issue"* on page 55 of this Prospectus.

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

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

Post this Issue, our Promoters and Promoters Group will collectively own 69.99 % of our equity share capital. As a result, our Promoters, together with the members of the Promoters Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

***39. We have not independently verified certain data in this Prospectus.***

We have not independently verified data from the Industry and related data contained in this Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and

other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect 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, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

***40. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled "Objects of the Issue" beginning on page no. 55 of this Prospectus.

***41. Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled "Capital Structure" beginning on page 46 of the Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoters or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

***42. The issue price of the Equity Shares may not be indicative of market price of our equity shares after the issue and the market price of our Equity shares may decline below the issue price.***

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The Company had made good progress in establishing its name in the readymade garment segment. All such points have been considered in deciding the issue price of the Equity Shares. Please refer chapter titled "Basis for Issue Price "beginning on the page no 61 of the prospectus. The market price of our equity shares could be subject to change after the issue and may decline the below the issue price.

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

We have not declared dividends on our Equity Shares since our incorporation. 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 and will depend on factors that our Board 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, please refer the section titled 'Dividend Policy' beginning on page 105 of this Prospectus.

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

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

***45. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the BSE SME 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 issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE SME. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

***46. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

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 is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations 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, 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.

***47. There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.***

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

**EXTERNAL RISK FACTORS**

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of the industry. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and

activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

***49. Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see section titled 'Key Industry Regulations and Policies' beginning on page 85 of this Prospectus. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations and financial condition.

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

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

***51. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

***52. Significant portion of our revenue is derived from business in India and a decrease in economic growth in India could cause our business to suffer.***

We derive significant portion of our revenue from operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

***53. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

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

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

***55. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the sellers resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

The Government of India has recently announced the union budget for Fiscal 2022, pursuant to which the Finance Act may undergo various amendments. 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. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. 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 of 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 could also have a negative impact on the

Indian economy. Financial disruptions may occur again and could impact our business, our future financial performance and the prices of the Equity Shares.

## SECTION - III –INTRODUCTION

## THE ISSUE

The following table summarizes the Issue details:

| Particulars | Details of Equity Shares |
|---|---|
| **Issue of Equity Shares by our Company** | 24,12,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 175.00/- per Equity Share aggregating to ₹ 4221.00 Lakhs |
| ***Of Which*** | |
| **Market Maker Reservation Portion** | 1,20,800 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 175.00/- per Equity Share aggregating to ₹ 211.40 Lakhs |
| **Net Issue to the Public*** | 22,91,200 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 175.00/- per Equity Share aggregating to ₹ 4009.60 Lakhs |
| ***Of Which*** | |
| **(A) Retail Portion** | 11,45,600 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 175.00/- per Equity Share aggregating to ₹ 2004.80 Lakhs i.e., 50% of the Net Issue shall be available for allocation Retail Individual Investors |
| **(B) Non – Institutional Portion** | 11,45,600 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 175.00/- per Equity Share aggregating to ₹ 2004.80 Lakhs i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors. |
| **Pre-and Post-Issue Equity Shares** | |
| **Equity Shares outstanding prior to the Issue** | 56,28,000 Equity Shares of face value of ₹10.00/- each |
| **Equity Shares outstanding after the Issue** | 80,40,000 Equity Shares of face value of ₹ 10.00/- each |
| **Use of Issue Proceeds** | For details, please refer chapter titled "*Objects of the Issue"* beginning on page 55 of this Prospectus. |

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 31, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on January 25, 2023 pursuant to section 62(1)(c) of the Companies Act. This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended. For further details, please refer to section titled "Issue Structure" beginning on page 179 of this Prospectus.

*As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investor; and
b) remaining to:
   (i) individual applicants other than retail individual investors; and
   (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

If the retails individual investor category is entitled to more than allocated portion on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

## SUMMARY OF OUR FINANCIAL INFORMATION

**ANNEXURE 1 RESTATED BALANCE SHEET** **(Rs. In Lakhs)**

| Particulars | As At 31st December, 2022 | As At 31st March, 2022 | As At 31st March, 2021 | As At 31st March, 2020 |
|---|---|---|---|---|
| I. **EQUITY AND LIABILITIES** | | | | |
| **1 Shareholders' funds** | | | | |
| (a) Share capital | 562.8 | 1.0 | 1.0 | 1.0 |
| (b) Reserves and surplus | 302.72 | 122.17 | 62.60 | 28.52 |
| **2 non-current liabilities** | | | | |
| (a) Long-term borrowings | 157.56 | - | - | - |
| (b) Deferred tax liabilities (Net) | - | - | - | - |
| (c) Long-term Provisions | - | - | - | - |
| (d) Other Long-term Liabilities | 340.48 | 362.34 | 352.10 | 153.00 |
| **3 Current liabilities** | | | | |
| (a) Short-term borrowings | 211.83 | 256.48 | 84.42 | 76.48 |
| (b) Trade payables | | | | |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2073.08 | 2933.12 | 1317.46 | 781.71 |
| (c) Other current liabilities | 200.92 | 37.40 | 66.07 | 54.33 |
| (d) Short-term provisions | 123.55 | 25.87 | 14.01 | 7.00 |
| **TOTAL** | **3,972.95** | **3738.37** | **1,897.65** | **1,102.04** |
| **II.ASSETS** | | | | |
| **1 non-current assets** | | | | |
| (a) Fixed assets | | | | |
| (i) Tangible assets | 85.05 | 53.86 | 25.56 | 36.17 |
| (ii) Intangible Assets | 2.29 | 3.18 | 4.06 | 1.17 |
| (iii)Intangible Assets under development | - | - | - | - |
| (iv) Capital Work in Progress | - | - | - | - |
| Less: Accumulated Depreciation | - | - | - | - |
| Net Block | 87.34 | 57.04 | 29.62 | 37.34 |
| (b) Non-Current Investments | - | - | - | - |
| (c) Long-term loans and advances | - | - | - | - |
| (d) Other Non-Current Assets | 14.44 | 9.06 | 5.85 | 3.88 |
| (e) Deferred Tax Assets | 3.82 | 1.60 | 0.87 | 0.14 |
| **2 Current assets** | | | | |
| (a) Current Investments | - | - | - | - |
| (b) Inventories | 2163.40 | 1283.68 | 740.21 | 421.61 |
| (c) Trade receivables | 1345.18 | 2120.20 | 951.32 | 455.66 |
| (d) Cash and cash equivalents | 67.07 | 10.35 | 2.08 | 10.71 |
| (e) Short-term loans and advances | 291.70 | 256.45 | 167.69 | 171.16 |
| (f) Other Current Assets | - | - | - | 1.53 |
| **TOTAL** | **3972.95** | **3738.37** | **1,897.65** | **1,102.04** |

**ANNEXURE 2 RESTATED STATEMENT OF PROFIT & LOSS** **(Rs. In Lakhs)**

| Particulars | As At 31st December, 2022 | As At 31st March, 2022 | As At 31st March, 2021 | As At 31st March, 2020 |
|---|---|---|---|---|
| I. Revenue from operations | 3748.26 | 5341.39 | 1679.95 | 1113.64 |
| II.Other income | 1.15 | 0.58 | 0.02 | 0.33 |
| **III. Total Income (I + II)** | 3749.41 | 5341.98 | 1679.97 | 1113.97 |
| IV. Expenses: | | | | |
| Cost of Material Consumed | - | - | - | - |
| Puchases of Stock-In-Trade | 3847.93 | 5330.67 | 1708.61 | 1133.56 |
| Changes in inventories of Stock-in-Trade | (879.72) | (543.47) | (318.60) | (261.08) |
| Employee benefits expense | 90.31 | 90.70 | 27.36 | 28.46 |
| Finance costs | 23.86 | 1.38 | 8.03 | 3.00 |
| Depreciation and amortization expense | 19.18 | 9.88 | 12.98 | 5.58 |
| Other expenses | 243.21 | 372.19 | 194.00 | 181.85 |
| Total expenses | 3344.78 | 5261.35 | 1632.38 | 1091.37 |
| **V.Profit before tax (III-IV)** | **404.63** | **80.62** | **47.58** | **22.59** |
| VI Tax expense: | | | | |
| (1) Current tax | 116.58 | 21.78 | 14.24 | 6.40 |
| (2) Deferred tax | (2.22) | (0.73) | (0.74) | (0.14) |
| (3) Less: MAT Credit Entitlement | | | | |
| **VII. Profit (Loss) for the period (V-VI)** | **290.28** | **59.57** | **34.08** | **16.34** |

**ANNEXURE 3 RESTATED STATEMENT OF CASH FLOWS** **(Rs. In Lakhs)**

| Particulars | As At 31st December, 2022 | | As At 31st March, 2022 | | As At 31st March, 2021 | | As At 31st March, 2020 | |
|---|---|---|---|---|---|---|---|---|
| **Cash flow from Operating Activities** | | | | | | | | |
| **Net Profit Before tax as per Statement of Profit & Loss** | | 404.63 | | 80.62 | | 47.58 | | 22.59 |
| Adjustments for: | | | | | | | | |
| Depreciation & Amortisation Exp. | 19.18 | | 9.88 | | 12.98 | | 5.58 | |
| Interest Income | - | | - | | - | | - | |
| Prior Period Items | - | | - | | - | | 0.001 | |
| Interest Income | - | | - | | - | | - | |
| Finance Cost | 23.86 | 43.04 | 1.38 | 11.26 | 8.03 | 21.01 | 3.00 | 8.59 |
| **Operating Profit before working capital changes** | | 447.67 | | 91.88 | | 68.60 | | 31.18 |
| **Changes in Working Capital** | | | | | | | | |
| Trade receivable | 775.02 | | (1,168.87) | | (495.65) | | (168.81) | |
| Other Loans and advances receivable | (35.25) | | (88.76) | | 3.47 | | (170.65) | |
| Inventories | (879.72) | | (543.47) | | (318.60) | | (261.08) | |
| Other Current Assets | - | | - | | 1.53 | | (1.53) | |
| Trade Payables | (860.04) | | 1,615.66 | | 535.74 | | 287.99 | |
| Other Current Liabilites | 163.52 | | (28.67) | | 11.74 | | 3.08 | |
| Current Investment | - | | - | | - | | - | |
| Short term Provisions | 98.26 | | 11.86 | | 7.02 | | 0.93 | |
| | | (738.21) | | (202.25) | | (254.76) | | (310.07) |
| **Net Cash Flow from Operation** | | (290.54) | | (110.36) | | (186.16) | | (278.89) |
| Less : Income Tax paid | | 116.58 | | 21.78 | | 14.24 | | 6.40 |
| **Net Cash Flow from Operating Activities (A)** | | (407.12) | | (132.15) | | (200.41) | | (285.28) |
| **Cash flow from investing Activities** | | | | | | | | |
| Purchase of Fixed Assets | (49.49) | | (37.30) | | (5.26) | | (40.50) | |
| Sale of Fixed Assets | - | | - | | - | | - | |
| Other Non-Current Assets (Net) | (5.38) | | (3.21) | | (1.97) | | 47.00 | |
| Other Non-Current Liabilities (Net) | (21.86) | | 10.24 | | 199.10 | | 153 | |
| Purchase/Sale of Investment | - | | - | | - | | - | |
| Interest Income | - | | - | | - | | - | |
| | | (76.72) | | (30.26) | | 191.86 | | 159.49 |
| **Net Cash Flow from Investing Activities (B)** | | (76.72) | | (30.26) | | 191.86 | | 159.49 |
| **Cash Flow From Financing Activities** | | | | | | | | |
| Proceeds From long Term Borrowing (Net) | (157.56) | | - | | - | | (3) | |
| Short Term Borrowing (Net) | (44.64) | | 172.06 | | 7.94 | | 76.48 | |
| Interest Paid | (23.86) | | (1.38) | | (8.03) | | (3) | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Issue of Share | 451.5 | 540.56 | - | 170.68 | - | (0.09) | - | 70.48 |
| **Net Cash Flow from Financing Activities (C)** | | 540.56 | | 170.68 | | (0.09) | | 70.48 |
| **Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)** | | **56.72** | | **8.27** | | **(8.64)** | | **(55.31)** |
| Opening Cash & Cash Equivalents | | 10.35 | | 2.08 | | 10.71 | | 66.03 |
| **Cash and cash equivalents at the end of the period** | | **67.07** | | **10.35** | | **2.08** | | **10.71** |
| **Cash And Cash Equivalents Comprise:** | | | | | | | | |
| Cash | | 8.48 | | 0.84 | | 0.20 | | 9.15 |
| **Bank Balance:** | | | | | | | | |
| Current Account | | 58.59 | | 9.51 | | 1.88 | | 1.57 |
| Deposit Account | | - | | - | | - | | - |
| **Total** | | **67.07** | | **10.35** | | **2.08** | | **10.71** |

## GENERAL INFORMATION

Our Company was originally incorporated as 'Bizotic Commercial Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 29, 2016 bearing Corporate Identification Number U74999GJ2016PTC094934 issued by the Registrar of Companies, Central registration centre. Subsequently, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 15, 2022 and consequently the name of our Company was changed to "Bizotic Commercial Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 26, 2022. For further details, please refer the chapter titled *"History and Certain Corporate Matters"* beginning on page 91 of this Prospectus.

The Corporate Identification Number of our Company is U74999GJ2016PLC094934.

**Registered & Corporate Office of our Company**

**Bizotic Commercial Limited**
**Registered Office:** D-8 Samet Business Park,
Nr. Khokra Circle, Khokra
Ahmedabad GJ 380008, India.
**Mobile No:** +91 79849 71501
**Website**: www.urbanunited.in
**E-mail**: bizoticcommercialindia@gmail.com

**ADDRESS OF REGISTRAR OF COMPANIES**

**Registrar of Companies**
Our Company is registered with the Registrar of Companies, Ahmedabad located at:
RoC Bhavan, Opp Rupal Park Society behind Ankur Bus Stop,
Ahmedabad, Gujarat-380013, India, India.

**Board of Directors of our Company**

Our Board of Directors comprises of the following directors as on the date of filing of this Prospectus:

| Sr No | Name | Designation | DIN | Address |
|---|---|---|---|---|
| 1. | Sanjay Gupta | Managing Director | 07610448 | A 502, Kedar Tower, Opp. Rajasthan Hospital, Shahibaug, Ahmedabad, Gujrat-380004 |
| 2. | Inderpreet Kaur Gulati | Director & Chief Financial Officer | 09213754 | block -I 903, Parishkar part -2, Nr Khokhra circle, Khokhra, Ahmedabad City, Ahmedabad, Gujarat - 380026 |
| 3. | Mohit Agarwal | Non-Executive Director | 06425687 | 1, Shital chhaya Apartment, Opp. Department of Geography Univercity Area, Navrangpura, Ahmedabad, Gujrat- 380009 |
| 4. | Avani Shah | Non-Executive and Independent Director | 09608898 | 5, Sambhavnath Apartment, above Dena Bank, Jawaher chowk Sabarmati, Ahmedabad-380005 |
| 5. | Hareshkumar Suthar | Non-Executive and Independent Director | 08388083 | B 48, Akshar Residency, Near Dhaval Society, Mithikui, Near Mithikui Circle, Dholka, Ahmedabad, Gujarat-387810 |
| 6. | Juhi Sawajani | Non-Executive and Independent Director | 09811893 | Thikadar pada, tittagarh, Balangir, Odisha-767033 |

For further details of our directors, please refer chapter titled "*Our Management*" beginning on page 93 of this Prospectus.

**Company Secretary and Compliance Officer**
**Shivani Vyas**
**Bizotic Commercial Limited**
**Registered Office:** D-8 Samet Business Park,
Nr. Khokra Circle, Khokra
Ahmedabad GJ 380008, India.
**Mobile No:** +91 79849 71501
**Website**: www. urbanunited.in
**E-mail**: bizoticcommercialindia@gmail.com

*Note: Investors can contact our Company Secretary and Compliance Officer, the Lead Manager 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* etc.

**ALL GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM 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, UPI ID (IF APPLICABLE), PAN, DATE OF THE ASBA FORM, 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 Acknowledgement Slip from the Designated Intermediaries in addition to the documents/ information mentioned above.**

| **Lead Manager to the Issue** | **Registrar to the Issue** |
|---|---|
| **Interactive Financial Services Limited**<br>**Address:** 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad - 380 009,Gujarat, India<br>**Tel No.:** 079- 46019796<br>**(M):** +91-9898055647<br>**Web Site:** www.ifinservices.in<br>**Email**: mbd@ifinservices.in<br>**Investor Grievance Email:** info@ifinservices.in<br>**Contact Person:** Pradip Sandhir<br>**SEBI Reg No:** INM000012856 | **Bigshare Services Private Limited**<br>**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093<br>**Tel No:** +91 22-62638200<br>**Fax No.:** +91 22-62638299<br>**Website:** www.bigshareonline.com<br>**E-Mail:** ipo@bigshareonline.com<br>**Investor Grievance Email**: investor@bigshareonline.com<br>**Contact Person:** Sagar Pathare<br>**SEBI Reg.** No.: INR000001385 |
| **Legal Advisor to the Issue** | **Statutory Auditor** |
| **Mauleen N. Marfatia**<br>**Address**: 1222, 12th. floor, I-SQUARE, Next to Shukan Mall, Science City Road, Ahmedabad – 380060, Gujarat, India.<br>**Tel No**.: 9898917167<br>**E-Mail**: mauleenmarfatia9898@gmail.com<br>**Contact Person**: Mauleen Marfatia<br>**Bar Council No**.: G/1585/2008 | **M/s. D G M S & CO., Chartered Accountants**<br>**Address:** 217/218/219 Manek Center, P. N. Marg, Jamnagar– 361008<br>**Phone No**.: 98242 31214<br>**Email:** dgmsco.jam@gmail.com<br>**Membership No**.: 108456<br>**Firm Registration No**.: 112187W<br>**Contact Person**: Shashank P. Doshi |
| **Peer Reviewed Auditor** | **Bankers to the Company** |
| **M/s. D G M S & CO., Chartered Accountants**<br>**Address:** 217/218/219 Manek Center, P. N. Marg, Jamnagar– 361008<br>**Phone No**.: 98242 31214<br>**Email:** dgmsco.jam@gmail.com<br>**Membership No**.: 108456<br>**Firm Registration No**.: 112187W<br>**Peer Review No**: 014466 | **Indusind Bank**<br>**Address**: Indusind Bank Limited, Ground floor shop No. 10, 11, Advance business Park, Block-A, Opp. Swaminarayan Temple, Shahibaug, Ahmedabad-380 004.<br>**Phone No:** +91 70435 56070<br>**Email ID:** kamlesh.vaghela@indusind.com<br>**Website:** www.indusind.com<br>**Contact Person**: Kamlesh Vaghela |

| | |
|---|---|
| **Contact Person**: Shashank P. Doshi | **Designation:** Branch Manager |
| **Bankers to the Issue and Refund Banker and Sponsor Bank** | |
| **ICICI Bank Limited**<br>**Address**: Capital Market Division, 1st Floor, 122, Mistry Bhavan, DinshawVachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020.<br>**Telephone No:** +022 – 66818911/23/24<br>**Email ID:** sagar.welekar@icicibank.com/ipocmg@icicibank.com<br>**Website:** www.icicibank.com<br>**Contact Person**: Mr. Sagar Welekar<br>**SEBI Registration Number:** INBI00000004 | |

**SYNDICATE MEMBER(s)**

No Syndicate Member have been appointed as on the date of this Prospectus.

**DESIGNATED INTERMEDIARIES**

**Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35.

Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and its updated from time to time.

**Registered Broker**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicant can submit Application form through stock broker network of the Stock Exchange i.e Registered Broker at the Broker center.

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 to the Issue and Share Transfer Agents**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ( www.sebi.gov.in), and updated from time to time.

For details on RTA, please refer https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10.

**Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the 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.

**Inter-Se Allocation of Responsibilities**

Interactive Financial Services Limited being the sole Lead Manager to this issue shall be undertaking all activities in relation to this issue. Hence, the statement of inter-se allocation of responsibilities among Lead Manager is not required.

**Credit Rating**

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

**IPO Grading**

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

**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 Lakhs. Since the Issue size is only of ₹4221.00 Lakhs, 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.

**APPRAISING ENTITY**

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

**Expert Opinion**

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

Our Company has received a written consent from our Statutory & Peer Review Auditor, M/s. D G M S & Co., Chartered Accountants, with respect to their report on the Restated Financial Statements dated February 16 ,2023 and with respect to the Statement of Tax Benefits dated May 17, 2023, to include their name in this Prospectus, as required under Companies Act read with SEBI ICDR Regulations as "Expert", defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Prospectus. However, the term "Expert" shall not be construed to mean an "Expert" as defined under the U.S. Securities Act.

**Trustee**

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

**Changes in Auditors during the Last Three Years**

| Sr. No. | Name of Auditor | Date of Appointment | Date of Termination | Reason for Change |
|---|---|---|---|---|
| 1. | M/s. Niranjan Jain & Co., Chartered Accountants<br>Address 307-308, Shital Varsha Arcade, Opp. Girish Cold Drink, C G Road, Navrangpura, Ahmedabad-380009, Gujarat, India.<br>Email ID: niranjanjain156@yahoo.co.in<br>FRN No.: 113913W | September 30, 2017 | September 30, 2022 | Due to Expiry of term |
| 2. | M/s. D G M S & CO., Chartered Accountants<br>Address: 217/218/219 Manek Center, P. N. Marg, Jamnagar– 361008<br>Email: dgmsco.jam@gmail.com<br>Firm Registration No.: 112187W<br>Peer Review No: 014466 | September 30, 2022 | - | - |

**Filing of Draft Offer Document/ Offer Document**

a) The Draft Prospectus and Prospectus shall be filed with SME Platform of BSE Limited ("BSE SME") situated at Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai - 400001, Maharashtra, India.

b) A soft copy of Draft Prospectus shall be submitted to SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Draft Prospectus and Prospectus along with relevant documents shall be filed with SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

c) A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad., RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat-380013, India, India.

**Underwriter**

Our Company and LM to the Issue hereby confirm that the Issue is 100% Underwritten.The Underwriting agreement is dated February 02, 2023 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriter are subject to certain conditions specified therein. The Underwriter have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Name and Address of the Underwriter | Indicative Number of Equity Shares Underwritten* | Amount Underwritten (₹in Lakhs) | % Of the Net Issue size Underwritten |
|---|---|---|---|
| **Interactive Financial Services Limited**<br>**Address:** 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge,<br>Ahmedabad - 380 009, Gujarat, India<br>**Tel No.:** 079- 46019796<br>**(M):** +91-9898055647<br>**Web Site:** www.ifinservices.in<br>**Email**: mbd@ifinservices.in<br>**Investor Grievance Email:** info@ifinservices.in<br>**Contact Person:** Pradip Sandhir<br>**SEBI Reg No:** INM000012856 | 24,12,000 | 4221.00 | 100% |
| **Total** | **24,12,000** | **4221.00** | **100%** |

**Includes* 1,20,800 *Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker on its own account in order to comply with the requirements of Regulation 261 of SEBI (ICDR) Regulations 2018.*

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

**WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from Stock Exchange, which

our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

**Market Maker**

Our Company and the Lead Manager have entered into an agreement dated February 02, 2023 with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

**Beeline Broking Limited**
Samudra Complex, Office no. 701-702,
Nr. Girish Cold Drinks, off. C G Road,
Navrangpura, Ahmedabad – 380009
Gujarat, India
**Tel No:** +079 66664040
**Email:** pcs@beelinebroking.com
**Investor Grievance Email ID:** support@beelinebroking.com
**Website:** www.beelinebroking.com
**Contact Person:** Pradip Sandhir
**SEBI Registration No.:** INZ000000638

Beeline Broking Limited is registered with BSE SME as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the trading hours 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).

2. 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 SME Platform of BSE Limited and SEBI from time to time. The Market Maker spread (i.e., the difference between the buy and the sell quote) shall not be more than 10% in compliance with the Market Maker spread requirements or as specified by BSE SME and/or SEBI from time to time.

3. 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 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 minimum lot size in the IPO is 800 Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of 800 Equity Shares is met, until the same is revised by BSE SME.

4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 800 equity shares; however, the same may be changed by the SME Platform of stock exchange from time to time).

5. 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 (including the 1,20,800 Equity Shares to be allotted under this Issue to the Market Maker). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken into consideration of

computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.

6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange 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.

7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange 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.

8. There would not be more than five (5) Market Makers for a scrip of the company at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Exchange.

10. The Equity Shares of the Issuer will be traded in continuous trading session from the time and day the Issuer gets listed on BSE SME and Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars or amended from time to time.

11. The Market Maker shall not buy the Equity Shares from the Promoters or Promoter Group of the Issuer or any person who has acquired Equity Shares from such Promoters or Promoter's Group, during the Compulsory Market Making Period.

12. The Promoters' holding of the Issuer which is locked-in shall not be eligible for offering to Market Maker during the Compulsory Market Making period. However, the Promoters' holding of the Issuer which is not locked in as per SEBI ICDR Regulations can be traded with prior permission of the BSE SME, in the manner specified by SEBI from time to time.

13. The LM, if required, has a right to appoint a nominee director on the Board of the Issuer any time during the Compulsory Market Making period provided it meets requirements of the SEBI ICDR Regulations.

14. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of the Issuer via its 2-way quotes. The price shall be determined and be subject to market forces.

15. 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 withdrawal on account of force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

16. The Market Maker(s) shall have the right to terminate said arrangement by giving a (1) one month 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.

17. In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five 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 11.00 a.m. to 5.00 p.m. on working days.

18. **Risk containment measures and monitoring for Market Makers**: BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

19. **Punitive Action in case of default by Market Makers:** BSE SME 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 Equity Shares of the Company 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.

20. Price Band and Spreads SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be
    i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

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

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

22. After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two way quotes during the first three months of the market making irrespective of the level of holding.

23. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. The call auction is not applicable of those companies, which are listed at SME platform.

24. 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.

25. Further, the following shall apply to Market Maker while managing its inventory during the process of market making:

a) The exemption from threshold as per table below shall not be applicable for the first three (3) months of the Compulsory Market Making Period and the Market Maker shall be required to provide two-way quotes during this period irrespective of the level of holding.

b) Threshold for market making as per table below will be inclusive of mandatory inventory of 5% of Issue Size at the time of Allotment in the Issue.

c) Any initial holdings over and above such 5% of Issue size would not be counted towards the inventory levels prescribed

d) Apart from the above mandatory inventory, only those Equity Shares which have been acquired on the platform of the Exchange during market making process shall be counted towards the Market Maker's threshold.

e) Threshold limit will be taken into consideration, the inventory level across market makers.

f) The Market Maker shall give two-way quotes till it reaches the upper limit threshold, thereafter it has the option to give only sell quotes.

g) Two-way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

h) In view of the market making obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the Exchange, the Exchange may intimate the same to SEBI after due verification.

| **Issue Size** | **Buy quote exemption threshold (including mandatory initial inventory of 5% of Issue size)** | **Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of Issue size)** |
|---|---|---|
| Upto₹ 2,000 Lakhs | 25 % | 24 % |
| ₹. 2,000 Lakhs to ₹. 5,000 Lakhs | 20 % | 19 % |
| ₹. 5,000 Lakhs to ₹. 8,000 Lakhs | 15 % | 14 % |
| Above ₹.8,000 Lakhs | 12 % | 11 % |

26. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.

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

## CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Prospectus, is set forth below:

***(Rs in Lacs except share data)***

| Sr. No. | Particulars | Aggregate nominal value | Aggregate value at Issue Price |
|---|---|---|---|
| **A.** | **AUTHORISED SHARE CAPITAL** | | |
| | 90,00,000 Equity Shares of face value of ₹10 each | 900.00 | |
| **B.** | **ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE** | | |
| | 56,28,000 fully paid Equity Shares of face value of Rs. 10 each | 562.80 | |
| **C.** | **PRESENT ISSUE IN TERMS OF THIS PROSPECTUS** | | |
| | Issue of 24,12,000 Equity Shares of face value of Rs.10 each at a premium of ₹ 165 per share | 241.20 | 4221.00 |
| | **Which Comprises:** | | |
| (I) | Reservation for Market Maker 1,20,800 Equity Shares of face value of Rs.10 each at a premium of Rs. 165 will be available for allocation to Market Maker | 12.08 | 211.40 |
| (II) | Net Issue to the Public 22,91,200 Equity Shares of face value of Rs.10 each at a premium of ₹ 165 per share | 229.12 | 4009.60 |
| | **Of Net Issue to the Public** | | |
| (I) | 11,45,600 Equity Shares of face value of ₹10 each at a premium of ₹ 165 per share shall be available for allocation for Investors applying for a value of upto ₹ 2 Lakh | 114.56 | 2004.80 |
| (II) | 11,45,600 Equity Shares of face value of ₹10 each at a premium of ₹ 165 per share shall be available for allocation for Investors applying for a value above ₹ 2 Lakh | 114.56 | 2004.80 |
| **D.** | **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE** | | |
| | 80,40,000 Equity Shares of ₹10 each | 804.00 | |
| **E.** | **SHARE PREMIUM ACCOUNT** | | |
| | Share Premium account before the Issue | | 0.00 |
| | Share Premium account after the Issue | | 3979.80 |

**Details of Changes in Authorized Share Capital:**

Since Incorporation of our Company, the Authorized share capital has been altered in the manner set forth below**:**

| Sr. No. | Date of Change | AGM / EGM | Changes in authorized Capital |
|---|---|---|---|
| 1. | On Incorporation (December 29, 2016) | - | The authorized capital of our company on incorporation comprised of Rs. 1,00,000/- consisting of 10,000 Equity shares of Rs. 10 each. |
| 2. | October 19, 2022 | EGM | The authorized share capital of Rs. 1,00,000/- consisting of 10,000 Equity Shares of Rs. 10/- each was increased to Rs. 9,00,00,000/- consisting of 90,00,000 Equity shares of Rs.10/- each. |

***Note:***
*The present issue of 24,12,000 equity shares in terms of this Prospectus has been authorized by a resolution of our Board dated December 31, 2022 and by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting by the shareholders of our Company held on January 25, 2023.*

The company has one class of share capital i.e. Equity Shares of Face value of Rs.10/- each only. All equity shares issued are fully paid-up.

Our Company has no outstanding Convertible Instruments as on date of this Prospectus.

**NOTES TO THE CAPITAL STRUCTURE:**

**1. Share Capital History:**

**Our existing Share Capital has been subscribed and allotted as under:**

| Date of Allotment | No. of Equity Shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Reason / Nature of Allotment | Cumulative No. of Equity Shares |
|---|---|---|---|---|---|---|
| On Incorporation (December 29, 2016) | 10,000 | 10 | 10 | Cash | Subscription to MoA[1] | 10,000 |
| November 18, 2022 | 2,58,000 | 10 | 165 | Cash | Right Issue [2] | 2,68,000 |
| December 06, 2022 | 53,60,000 | 10 | - | Other than cash | Bonus Issue[3] | 56,28,000 |

1. Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs.10/- each fully paid at par as per the details given below:

| Sr. No | Name of the Person | No of Shares Subscribed |
|---|---|---|
| 1. | Sangita Aggarwala | 9,900 |
| 2. | Sanjay Gupta | 100 |
| **Total** | | **10,000** |

2. Further Allotment on Right Basis as on November 18, 2022 of 2,58,000 Equity Shares of face value of Rs. 10 each fully paid up at a price of Rs. 175/- per share, the details are given below:

| Sr. No | Name of the Person | No of Shares Subscribed |
|---|---|---|
| 1. | Sangita Aggarwala | 2,58,000 |
| **Total** | | **2,58,000** |

3. Bonus Issue of 53,60,000 Equity Share of face value of Rs. 10 each fully paid up in the ratio of 20:1 as on December 06, 2022 as per the details given below:

| Sr. No | Name of the Person | No of Shares Subscribed |
|---|---|---|
| 1. | Sangita Aggarwala | 53,58,000 |
| 2. | Sanjay Gupta | 2,000 |
| **Total** | | **53,60,000** |

**2. Equity Share Issued for consideration other than cash:**

a) Except as set out Below, our Company has not issued Equity Shares for consideration other than cash.

| Date of Allotment | No. of Total Equity Shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Name of Allottees | No. of Shares Allotted | Nature of Allotment | Benefit Accrued | Reason for Issue |
|---|---|---|---|---|---|---|---|---|
| December 06, 2022 | 53,60,000 | 10 | NA | Sangita Aggarwala | 53,58,000 | Bonus Issue in the ratio of 20:1 | Retaining Interest of the Shareholders | Capitalisation of Reserves |
| | | | | Sanjay Gupta | 2,000 | | | |

b) Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**3.** Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.

**4.** Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.

**5.** Our Company has not issued any Equity Shares during a period of one year preceding the date of the Prospectus at a price lower than the Issue price. However, our company has issued Bonus Shares during a period of one year preceding the date of the Prospectus:

| Date of Allotment | No. of Total Equity Shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Name of Allottees | No. of Shares Allotted | Nature of Allotment | Promoters / Promoter's Group | Reason for Issue |
|---|---|---|---|---|---|---|---|---|
| December 06, 2022 | 53,60,000 | 10 | NA | Sangita Aggarwala | 53,58,000 | Bonus Issue in the ratio of 20:1 | Promoter | Capitalisation of Reserves |
| | | | | Sanjay Gupta | 2,000 | | | |

**6. Our Shareholding Pattern:**

The shareholding pattern of our company in accordance with Regulation 31 of SEBI (LODR) Regulations, 2015, as on February 15, 2023:

**i. Summary of Shareholding Pattern:**

| Category (I) | Category of shareholder (II) | Nos of shareholders (III) | No of fully paid-up equity shares held (IV) | No of Partly paid-up equity shares held (V) | No of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares( calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | 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) | |
| **(A)** | **Promoter & Promoter Group** | 4 | 56,27,600 | **0** | **0** | 56,27,600 | 99.99 | 56,27,600 | 99.99 | 0 | 0 | | | 0 | 0 | 56,27,600 |
| **(B)** | **Public** | 3 | 400 | 0 | 0 | 400 | 0.01 | 400 | 0.01 | 0 | 0 | 0 | 0 | 0 | 0 | 400 |
| **(C)** | **Non-Promoter-Non-Public** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **N.A** | **N.A** | 0 |
| (C1) | Shares underlying DRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **N.A** | **N.A** | 0 |
| (C2) | Shares held by Employee Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **N.A** | **N.A** | 0 |
| | TOTAL | **7** | **56,28,000** | **0** | **0** | **56,28,000** | **100** | **56,28,000** | **100.00** | **0** | **0** | | | **N.A** | **N.A** | **56,28,000** |

***Note:*** Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such equity shares.

**7. The shareholding pattern before and after the Issue:**

| Sr. No | Name of share holder | Pre-issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No of equity shares | As a % of Issued Capital | No of equity shares | As a % of Issued Capital |
| **(i) Promoters** | | | | | |
| 1. | Sangita Aggarwala | 5625800 | 99.96 | 5625800 | 69.97 |
| 2. | Sanjay Gupta | 1700 | 0.03 | 1700 | 0.02 |
| | **TOTAL (A)** | **5627500** | **99.99** | **5627500** | **69.99** |
| **(ii) Promoter Group** | | | | | |
| 3. | Darshandevi Gupta | 100 | 0.00 | 100 | 0.00 |
| | **TOTAL (B)** | **100** | **0.00** | **100** | **0.00** |
| **(iii) Public** | | | | | |
| 4. | Mohit Agarwal | 100 | 0.00 | 100 | 0.00 |
| 5. | Mohit Agarwal (HUF) | 100 | 0.00 | 100 | 0.00 |
| 6. | Dharamveer Singh | 100 | 0.00 | 100 | 0.00 |
| 7. | Inderpreet Kaur Gulati | 100 | 0.00 | 100 | 0.00 |
| | IPO | - | - | 2412000 | 30.00 |
| | **Total (C)** | **400** | **0.01** | **2412400** | **30.00** |
| | **Total (A+B+C)** | **5628000** | **100.00** | **8040000** | **100.00** |

**8. Details of Major Shareholders**

**i. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Prospectus:**

| Sr. No. | Name of shareholder | No. of Shares | % of Shares Capital |
|---|---|---|---|
| **1.** | Sangita Aggarwala | 5625800 | 99.96 |
| **TOTAL** | | **5625800** | **99.96** |

**ii. List of Shareholder holding 1.00% or more of the paid-up capital of the company ten days prior to the date of the Prospectus:**

| Sr. No. | Name of shareholder | No. of Shares | % of Shares Capital |
|---|---|---|---|
| **1.** | Sangita Aggarwala | 5625800 | 99.96 |
| **TOTAL** | | **5625800** | **99.96** |

**iii. List of Shareholder holding 1.00% or more of the paid-up capital of the company as on one years prior to the date of the Prospectus:**

| Sr. No. | Name of shareholder | No. of Shares | % of Shares Capital |
|---|---|---|---|
| **1.** | Sangita Aggarwala | 9900 | 99.00 |
| **2.** | Sanjay Gupta | 100 | 01.00 |
| **TOTAL** | | **10,000** | **100.00** |

**iv. List of Shareholder holding 1.00% or more of the paid-up capital of the company as on two years prior to the date of the Prospectus:**

| Sr.No. | Name of shareholder | No. of Shares | % of Shares Capital |
|---|---|---|---|
| **1.** | Sangita Aggarwala | 9900 | 99.00 |
| **2.** | Sanjay Gupta | 100 | 01.00 |
| **TOTAL** | | **10,000** | **100.00** |

**8.** As on date of this Prospectus, there are no outstanding warrants, options or rights to convert a debentures, loans or other financial instruments into our Equity Shares.

9. 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 Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

10. **Share Capital Build-up of our Promoters & Lock-in**

Our Promoters had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters.

| Date of Allotment / Transfer | Nature of Issue/ Allotment (Bonus, Rights etc) | Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | Face Value (Rs.) | Issue/ Transfer Price | % of total Issued Capital | | Lock In |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Pre-Issue | Post-Issue | |
| **Sangita Aggarwala** | | | | | | | | | |
| December 29, 2016 | On Incorporation | Cash | 5000 | 5000 | 10 | 10 | 0.09 | 0.06 | 1 year |
| January 01, 2018 | Transfer | Gift | -5000 | 0 | 10 | 0 | -0.09 | -0.06 | - |
| January 01, 2019 | Transfer | Gift | 9900 | 9900 | 10 | 0 | 0.18 | 0.12 | - |
| November 18, 2022 | Right Issue | Cash | 258000 | 267900 | 10 | 175 | 4.58 | 3.21 | 1 year |
| December 06, 2022 | Bonus Issue | Other than Cash | 1608000 | 1875900 | 10 | NA | 28.57 | 20 | 3 years |
| | | | 3750000 | 5625900 | | | 66.63 | 46.64 | 1 year |
| December 08, 2022 | Transfer | Gift | -100 | 5625800 | 10 | 0 | 0.00 | 0.00 | 1 year |
| | **Total (A)** | | **5625800** | | | | **99.96** | **69.97** | |
| **Sanjay Gupta** | | | | | | | | | |
| December 29, 2016 | On Incorporation | Cash | 5000 | 5000 | 10 | 10 | 0.09 | 0.06 | 1 year |
| January 01, 2019 | Transfer | Gift | -4900 | 100 | 10 | 0 | -0.09 | -0.06 | 1 year |
| December 06, 2022 | Bonus Issue | Other Than Cash | 2000 | 2100 | 10 | NA | 0.04 | 0.02 | 1 year |
| December 10, 2022 | Transfer | Cash | -400 | 1700 | 10 | 0 | -0.01 | 0.00 | 1 year |
| | **TOTAL (B)** | | **1700** | | | | **0.03** | **0.02** | |

Note: All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment and none of the Equity Shares held by our Promoters are pledged.

11. None of our Promoters, Promoters Group, Directors and their relatives have purchased or sold the equity share of our company during the past six months immediately preceding the date of filing Prospectus except stated below:

| Date of transaction | Name of the Promoter/Director/ Promoter Group. | Purchased /Sold | No of Shares | Consideration * | Category |
|---|---|---|---|---|---|
| December 10, 2022 | Sangita Aggarwala | Sold | 100 | NA | Promoter |
| December 10, 2022 | Sanjay Gupta | Sold | 400 | NA | Promoter & |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | Director |
| December 10, 2022 | Inderpreet Kaur Gulati | Purchased | 100 | NA | Director |
| December 10, 2022 | Darshandevi Gupta | Purchased | 100 | NA | Promoter Group |
| December 10, 2022 | Mohit Agarwal | Purchased | 100 | NA | Director |
| December 10, 2022 | Mohit Agarwal (HUF) | Purchased | 100 | NA | Director is member of HUF |

* The above Shares are transferred pursuant to Gift.

**12.** The members of the Promoter's Group, our directors or the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Prospectus.

**13. Lock in of Promoters:**

a) As per clause (a) Regulation 238 of the SEBI (ICDR) Regulations and in terms of the aforesaid table, an aggregate of 20.00% of the post-Issue Equity Share Capital of our Company i.e., 16,08,000 equity shares shall be locked in by our Promoters for three years. The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. ("Minimum Promoters' contribution").

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoters under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoters for the lock-in of 16,08,000 Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoters' contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018. In connection, we confirm the following.

- The equity shares offered for minimum 20% promoters' contribution have not been acquired in the preceding three years before the date of prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction nor resulted from a bonus issue by utilisation 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 promoters Contribution does not include Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
- The minimum promoters Contribution does not include Equity shares pledged with any creditor.

**b) Equity Shares of Promoters locked-in for one year**

In addition to 20.00% (16,08,000) of the post-Issue shareholding of our Company shall be locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital i.e. 40,19,500 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering as provided in clause (b) of Regulations 238 of SEBI (ICDR) Regulations, 2018.

**14. Lock-in of securities held by persons other than the promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 500 Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**15. Transferability of Lock-in securities:**

a) In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, 2018, may be transferred to another Promoters or any person of the promoter group or a new promoter or a person in

control of the issuer company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

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

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

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations,2018, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;

- If the specified securities are locked-in in terms of clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, and the pledge of specified securities is one of the terms of sanction of the loan.

**17.** In terms of regulations 241of the SEBI (ICDR) Regulations, 2018, our Company confirms the securities issued in dematerialized form then the lock-in is recorded by the depository.

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

**19.** All the Equity Shares of our Company are fully paid-up equity shares as on the date of the Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

**20.** Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.

**21.** Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.

**22.** 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 LM and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines

**23.** As per RBI regulations, OCBs are not allowed to participate in this Issue.

**24.** Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

**25.** Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

**26.** An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

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

**28.** Our Promoters and the members of our Promoter Group will not participate in this Issue.

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

**30.** Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

**31.** None of our Key Managerial holds any Equity Shares in our Company.

**32.** As on date of this Prospectus, our Company have 7 Shareholders.

## SECTION IV - PARTICULARS OF THE ISSUE

## OBJECTS OF THE ISSUE

The present Public Issue of 24,12,000 Equity Shares at an issue price of ₹175/- Equity Share.

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

1. Setting up Retail stores
2. Repayment of loan
3. Working capital requirement
4. General Corporate Purpose,
5. Meeting Public Issue Expenses.

(Collectively referred to as **"Objects"**)

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

**Net Proceeds**

The details of the proceeds of the issue are summarized in the table below:

| Sr. No. | Particulars | Estimated Amount (₹ In lakhs) |
|---|---|---|
| 1. | Gross proceeds from the issue | 4221.00 |
| 2. | Less: Issue related expenses | 360.00 |
| **Net proceeds of the issue** | | **3861.00** |

**Requirement of funds and utilization of Net Proceeds**

| Sr. No. | Particulars | Estimated Amount (₹ In lakhs) |
|---|---|---|
| 1. | Setting up Retail network by establishing company owned and company operated stores | 450.00 |
| 2. | Repayment of Loan | 180.00 |
| 3. | Long-term Working capital requirement | 2270.00 |
| 4. | General Corporate Purposes | 961.00 |
| **Total utilization of net proceeds** | | **3861.00** |

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the lead manager or appraised by any bank or financial institution or any other external agency. Given the dynamic nature of our business and our Company, we may have to revise the estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In addition, the estimated dates of completion of various plans as described herein are based on management's current expectations and are subject to change due to various factors, some of which may not be in our control.

In the event of shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled *"Risk Factors*" beginning on page. 18 of this Prospectus.

**Schedule of implementation and Deployment of Net Proceeds**

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

***(₹ In lakhs)***

| Sr. No. | Particulars | Total Estimated Cost | Amount already deployed | Estimated utilization of net proceeds in FY 2023-2024 |
|---|---|---|---|---|
| 1. | Setting up Retail network | 460.00 | 0.00 | 460.00 |
| 2. | Repayment of Loan | 170.00 | 0.00 | 170.00 |
| 3. | Working capital requirement | 2270.00 | 0.00 | 2270.00 |
| 4. | General corporate purposes[1] | 961.00 | 0.00 | 961.00 |
| | **Total** | **3861.00** | **0.00** | **3861.00** |

[1]The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2023-24.

**Means of Finance**

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

We confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the issue.

**DETAILS OF THE OBJECTS OF THE ISSUE**

**1) SETTING OF RETAIL NETWORK BY ESTABLISHING COMPANY OWNED STORES**

The Company intends to start additional company owned in a rented premises and company operated stores in the FY.2023-24. The Company has at present 4 company operated and company owned stores in Rajasthan. Apart from 4 company owned stores, the stores on franchisee model are around 17 stores mostly in Rajasthan. The Company intends to open another 5 stores in the FY 2023-24. The Company has to pay Rent deposit to the property owner. The amount of deposit and the cost of furniture varies according to the Size of the stores. The management has estimated 3 outlets of 6000 Sq.ft, and 2 outlets of 3000 sq.ft. As per management estimate the deposit for show room per sq. ft will be Rs.150 and the cost of furniture per sq.ft vary from Rs. 1500 to Rs. 2000 per sq. ft. The company plans to open three stores of 6000 sq.ft and 2 stores of 3000 sq.ft. As per management estimate the tot l cost of 5 stores will be ₹ 460.00 lacs.

**2) REPAYMENT OF LOAN**

The Company had availed unsecured loan from the various NBFC for working capital requirement and vehicle loans from banks. The details of the various limits:

(₹ In Lacs Except EMI amount)

| Sr. No | Name of NBFC | Sanctioned Amount | Amount Outstanding as at May 31, 2023 | Rate of interest (%) | Repayment terms |
|---|---|---|---|---|---|
| 1 | Bajaj Finserv (Dropline flexi) | 30.48 | 24.67 | 16.00% | Payable in 48 monthly instalments of Rs. 86,389/- commencing from 02.06.2022. |
| 2 | Axis Bank | 28.49 | 23.79 | 9.16% | Payable in 48 monthly installments of RS.71114 commencing from 10.09.2022 |
| 3 | Fullerton India | 12.12 | 9.09 | 18.50% | Payable in 37 monthly instalments of Rs. 44,110/- commencing from 04.07.2022. |

| | | | | | |
|---|---|---|---|---|---|
| 4 | HDFC Bank | 50.24 | 40.33 | 15.00% | Payable in 48 monthly instalments of Rs. 1,39,819/- commencing from 06.06.2022. |
| 5 | Hero FinCorp | 15.15 | 11.35 | 18.00% | Payable in 36 monthly instalments of Rs. 54,771/- commencing from 03.07.2022. |
| 6 | ICICI Bank | 25.00 | 18.04 | 16.10% | Payable in 36 monthly instalments of Rs. 54,771/- commencing from 05.06.2022. |
| 7 | Mahindra And Mahindra Financial Services Limited | 25.00 | 20.69 | 19.36% | Payable in 36 monthly instalments of Rs. 92,101/- commencing from 10.10.2022. |
| 8 | Indusind Bank | 6.30 | 5.44 | 10.40% | Payable in 59 monthly instalments of Rs. 13615/- commencing from 14.08.2022. |
| 9 | URGO Capital | 20.30 | 16.72 | 19.00% | Payable in 36 monthly instalments of Rs. 74411/- commencing from 3.10.2022. |
| | **Total** | | **170.12** | | |

We intend to utilise the amount of Rs.170.00 lacs from the net proceeds towards repayment of loans borrowed by the Company from Banks and NBFCs. The cash accruals of the Company can be utilised for further expansion of the business. The reduction of the debt service coverage ratio and enhancement of Reserve and Surplus will help the company to be eligible for bidding bigger projects.

**3) WORKING CAPITAL REQUIREMENTS**

The working capital requirement of the Company in the period ended on December 2022 was of ₹1129.32 lacs which was financed by the Long Term and Short Term Borrowings and Capital and Internal cash accruals of the Company. Our Company intends to open new five company operated stores and on account of that the business of the Company will increase which require more working capital for the growth of the Business.

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

(₹ In Lacs)

| Particulars | 31.03.2020 | 31.03.2021 | 31.03.2022 | December 31, 2022 | 31.03.2023 | 31.03.2024 |
|---|---|---|---|---|---|---|
| | Audited | Audited | Audited | Audited | Provisional | Projected |
| Finished Goods | 421.61 | 740.21 | 1283.68 | 2163.40 | 1649.06 | 2861.67 |
| Trade Receivables | 455.66 | 951.32 | 2120.20 | 1345.18 | 2797.73 | 4292.50 |
| Cash and Bank Balances | 10.71 | 2.08 | 10.35 | 67.07 | 177.76 | 199.99 |
| Short term loans and Advances | 171.16 | 167.69 | 256.45 | 291.70 | 168.66 | 371.20 |
| Other Current Assets | 1.53 | - | - | - | - | |
| **Total** | **1060.67** | **1861.30** | **3670.68** | **3867.35** | **4793.21** | **7725.36** |
| Less : | | | | | | |
| Trade Payables | 781.71 | 1317.46 | 2933.12 | 2073.08 | 3069.68 | 4295.36 |
| other Current Liabilities | 54.33 | 66.07 | 37.40 | 200.92 | 343.83 | 200.00 |
| Short Term Provisions | 7.00 | 14.01 | 25.87 | 123.55 | 242.71 | 200.00 |
| Other Long-Term Liability | 153.00 | 352.10 | 362.34 | 340.48 | - | |
| **Total Liabilities** | **996.04** | **1749.64** | **3358.73** | **2738.03** | **3656.22** | **4695.36** |
| Net Working Capital | 64.63 | 111.66 | 311.95 | 1129.32 | 1136.99 | 3030.00 |
| Financed through Capital Internal Cash Accruals | | 27.24 | 55.47 | 759.93 | 791.98 | 760.00 |
| Long term and short term borrowings | 64.63 | 84.42 | 256.48 | 369.39 | 345.01 | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| Fund from IPO in 2023-24 | | | | | | 2270.00 |

Assumptions for working capital requirements

| Particulars | No of months holding period | | | | | F.Y. 2023-24 ( projected ) | Justification for Holding |
|---|---|---|---|---|---|---|---|
| | F.Y. 2019-2020 | F.Y.2020-21 | F.Y. 2021-22 | December 31, 2022 | F.Y. 2022-23 (Estimated) | | |
| Finished Goods | 114 | 132 | 72 | 173 | 89 | 100 | On the basis of FY 2022-23 estimated |
| Trade Receivables | 123 | 170 | 119 | 108 | 150 | 150 | On the basis of FY 2022-23 estimated |
| Trade Payables | 269 | 284 | 184 | 210 | 198 | 200 | On the basis of FY 2022-23 estimated |

**2. General Corporate Purposes**

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25.00% of the proceeds of the issue.

Our management will have flexibility in applying ₹ 961.00 lakhs of the Net Proceeds towards general corporate purposes, including but not restricted to financing working capital requirements, capital expenditure, acquiring business premises, meeting exigencies etc or any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management in accordance with the policies of the Board will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company from time to time.

**Issue Related Expenses**

The total expenses of the Issue are estimated to be approximately ₹360.00 lakhs. The expenses of this include, among others, underwriting and lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

| Activity | Estimated expenses (₹ in lakhs) | As a % of total estimated issue related expenses | As a % of Gross Issue Size |
|---|---|---|---|
| Lead Manger Fees including Underwriting Commission. | 24.00 | 6.67 | 0.57 |
| Brokerage, selling commission and Marketing | 300.00 | 83.33 | 7.11 |
| Registrar to the Issue | 1.00 | 0.28 | 0.02 |
| Legal Advisors | 3.00 | 0.83 | 0.07 |
| Advertising and marketing expenses | 5.00 | 1.39 | 0.12 |
| Regulators including stock exchanges | 12.00 | 3.33 | 0.28 |
| Printing and distribution of issue stationary | 3.00 | 0.83 | 0.07 |
| Others (Market Making fees etc.) | 12.00 | 3.33 | 0.28 |
| **Total estimated issue related expenses** | **360.00** | **100.00** | **8.53** |

***Notes***

1. The fund deployed up to May 17, 2023 is Rs. 2.18 Lakh towards issue expenses vide certificate dated May 17, 2023 having UDIN: 23108456BGUDJH9562 received from M/s D G M S & Co., Chartered Accountants.
2. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

| | |
|---|---|
| ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the | ₹ 10 per application on wherein shares are allotted |

| | |
|---|---|
| Offer is made as per Phase I of UPI Circular) | |
| Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) | ₹ 10 per application on wherein shares are allotted |
| Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank | ₹10 per application on wherein shares are allotted |
| Sponsor Bank shall be payable processing fees on UPI application processed by them | ₹ 5 per application on wherein shares are allotted |

3. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them
4. The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.
5. Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

**Interim use of Net Proceeds**

Our Company in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds pending utilization for the purposes described above, in accordance with the SEBI ICDR Regulations, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

**Bridge Financing Facilities**

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

**Appraisal Report**

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions / banks.

**Monitoring Utilization of Funds**

As this is a Fresh Issue for less than ₹ 10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.
Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

**Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

None of our suppliers / service providers for utilization of Issue proceeds for various Objects of the Issue are associated in any manner with our Company or any other related party directly or indirectly.
No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Employees. Our Company has not entered into or is not planning to enter into any arrangement / agreements with Promoters, Directors, key management personnel, associates or Group Companies in relation to the utilization of the Net Proceeds of the Issue.

**Other Confirmation**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The Issue Price of ₹175.00/- per Equity Share is determined by our Company in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹10.00/- per Equity Share and Issue Price is ₹175.00/- per Equity Share. The Issue Price is 17.5 (seventeen point five) times the face value.

Investors should refer sections / chapters titled "*Risk Factors*", "*Restated Financial Information*", "*Management Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business Overview*" beginning on page 18, 106, 144 and 75 respectively of this Prospectus to get an informed view before making an investment decision.

The trading price of the Equity shares of our Company could decline due to risk factors and you may lose all or part of your investments.

**Qualitative Factors**

Some of the Qualitative Factors, which form the basis for computing the price was

- Experience Management Team
- Designing capabilities
- Established Marketing Setup and Diversified Customer Base
- Distribution Network
- Quality Product
- Success through Franchising

For further details, please refer to the paragraph titled "*Our Competitive Strengths*" in the chapter titled "*Business Overview*" beginning on page 75 of this Prospectus.

**Quantitative Factors**

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

**1) Basic and Diluted Earnings Per Share (EPS)**

| Year ended | Weights | Basic and Diluted EPS (Pre-Bonus) | Basic and Diluted EPS (Post Bonus) | Weights |
|---|---|---|---|---|
| March 31, 2020 | 1 | 163.36 | 0.30 | 1 |
| March 31, 2021 | 2 | 340.79 | 0.63 | 2 |
| March 31, 2022 | 3 | 595.69 | 1.11 | 3 |
| **Weightage Average EPS** | **6** | **438.67** | | **0.82** |
| **December 31, 2022*** | | **5.37** | | **5.37** |

**Not Annualized*

**Note.** Basic and Diluted EPS = Net Profit (Loss) after tax as restated attributable to Equity Shareholders / weighted average no of equity shares outstanding during the year as per restated financials

.

**2) Price to Earnings (P/E) ratio in relation to Issue Price ₹175.00/- per Equity Share of ₹10.00/- each fully paid up**

| Particulars | P/E ratio (Pre Bonus) | P/E ratio (Post Bonus) |
|---|---|---|
| P/E ratio based on Basic and diluted EPS as at March 31, 2022 | 0.29 | 157.66 |
| P/E ratio based on Weighted Average Basic and diluted EPS | 0.40 | 214.72 |
| P/E ratio based on Basic and diluted EPS as at December 31, 2022* | 32.59 | 32.59 |
| ****Industry** | | |

| | |
|---|---|
| Highest | 192.33 |
| Lowest | 11.54 |
| Average | 101.94 |

**Not Annualized*

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

Return on Net Worth (RoNW) as per restated financial statements (Standalone)

| Year Ended | RONW (%) | Weight |
|---|---|---|
| March 31, 2020 | 55.34 | 1 |
| March 31, 2021 | 53.59 | 2 |
| March 31, 2022 | 48.36 | 3 |
| **Weighted Average** | | 51.27 |
| **December 31, 2022*** | | **33.54** |

# The net worth of the Company was negative on account of losses of previous years. The Company had earned profit in the year.

**Not Annualized*

Note: Return on Net worth has been calculated as per the following formula:

1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
2) 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)**

| Particulars | ₹ per share (Pre-Bonus) | ₹ per share (Post Bonus) |
|---|---|---|
| Net Asset Value per Equity Share as of March 31, 2022 | 1231.66 | 2.29 |
| Net Asset Value per Equity Share as of December 31, 2022 | 15.38 | 15.38 |
| Net Asset Value per Equity Share after IPO | | |
| Issue Price | 175 | |

Note: Net Asset Value has been calculated as per the following formula:

$$NAV = \frac{\text{Net worth excluding revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year}}$$

**5) Comparison with industry peers**

| Companies | CMP | EPS | PE Ratio | RONW (%) | NAV (Per Share) | Face Value | Total Income (₹ in Lakhs) |
|---|---|---|---|---|---|---|---|
| Bizotic Commercial Limited | 175* | 595.69 | 0.29 | 48.36 | 1231.66 | 10.00 | 3749.40 |
| **Peer Group** | | | | | | | |
| Trent Limited | 1350.50 | 7.02 | 192.33 | 9.27 | 765.13 | 1.00 | 38807.30 |
| Bella Casa Fashion and Retail Limited | 113.00 | 9.79 | 11.54 | 16.30 | 60.69 | 10.00 | 20638.35 |
| Loernzini Apparels Limited | 78.10 | 0.53 | 147.29 | 4.40 | 12.18 | 10.00 | 2459.17 |

** CMP of our Company is considered as an Issue Price
*CMP as on February 15 ,2023

**Source:** www.bseindia.com

***Notes:***

a) *Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.*

b) *The figures for Bizotic Commercial Limited, are based on the restated standalone financial statements for the year ended March 31, 2022.*

c) *The figures are based on the Standalone financial statements for the year ended March 31, 2022 of Trent Limited,* Bella Casa Fashion and Retail Limited and Loernzini Apparels Limited. (*filed with BSE Stock Exchange)*

d) *CMP of the peer group is as per the closing price as available on* www.bseindia.com

e) *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.*

f) *P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on February 15, 2023 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.*

g) *RoNW is computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.*

For further details, please refer section titled "*Risk Factors*" beginning on page 18 of this Prospectus and the financials of the Company including important profitability and return ratios, as set out in the section titled "*Restated Financial Information*" beginning on page 106 of this Prospectus to have more informed view about the investment proposition. The Face Value is Rs.10.00/- per Equity Share and the Issuer Price Rs.175/- has been determined by the Issuer in consultation with the Lead Manager and is justified by the company in consultation with the Lead Manager on the basis of above information.

**Key Performance Indicators ("KPIs")**

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

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

| KPI | Explanations |
|---|---|
| Revenue from Operations (□ lakhs) | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| Total Revenue | Total Revenue is used to tack the total revenue generated by the business including other income. |
| Operating EBITDA (□ lakhs) | Operating EBITDA provides information regarding the operational efficiency of the business. |
| Operating EBITDA Margin (%) | Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business. |
| Profit After Tax (□ lakhs) | 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. |
| Debt To Equity Ratio | Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage. |
| Interest Coverage Ratio | The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt. |

| | |
|---|---|
| Return on Capital Employed | ROCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Current Ratio | It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables. |
| Net Capital Turnover Ratio | This metric enables us to track the how effectively company is utilizing its working capital to generate revenue. |
| Return on Net Worth | This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested. |

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 26, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DRHP. Further, the KPIs herein have been certified by DGMS & Co, Chartered Accountant by their certificate dated May 31, 2023.

**Financial KPI of our Company**

| Sr No. | Metric | As of and for the Fiscal | | | |
|---|---|---|---|---|---|
| | | December 31, 2022 | 2022 | 2021 | 2020 |
| 1 | Total Income | 3748.26 | 5341.39 | 1679.95 | 1113.64 |
| 2 | Current Ratio | 1.48 | 1.13 | 1.26 | 1.15 |
| 3 | Debt Equity ratio | 0.43 | 2.08 | 1.33 | 2.59 |
| 4 | Operating EBITDA ₹ in lakhs) | 671.70 | 91.88 | 68.60 | 31.18 |
| 5 | Operating EBITDA Margin (%) | 17.91 | 1.72 | 4.08 | 2.80 |
| 6 | Profit/(loss) after tax for the year/ period (₹ in lakhs) | 290.28 | 59.57 | 34.08 | 16.34 |
| 7 | Net profit Ratio/ Margin (%) | 0.08 | 0.01 | 0.02 | 0.01 |
| 8 | Return on Equity (ROE) (%) | 0.59 | 0.64 | 0.73 | 0.77 |
| 9 | ROCE (%) | 0.35 | 0.22 | 0.38 | 0.24 |

Notes:

a) As certified by DGMS & Co, Chartered Accountants pursuant to their certificate dated May 31, 2023 vide UDIN No: 23108456BGUDLB8412. The Audit committee in its resolution dated May 26, 2023 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.

b) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities

c) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).

d) Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. Operating EBITDA excludes other income.

e) Operating EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.

f) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our total revenue.

g) Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.

h) RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.

**Comparison of key performance indicators with Peer Group Companies**

| Sr. No | Key Performance Indicators | Bizotic Commercial Limited | Trent Limited | Bella Casa Fashion and Retail Limited | Loernzini Apparels Limited |
|---|---|---|---|---|---|
| 1. | Total Income | 5341.39 | 388073 | 20638.35 | 2459.17 |
| 2. | current Ratio | 1.13 | 2.86 | 1.71 | 1.85 |
| 3. | Debt Equity Ratio | 2.08 | 0.18 | 0.80 | 0.72 |
| 4. | EBDITA | 91.88 | 89935 | 2174 | 219 |
| 5. | Operating EBDITA Margin | 1.72 | 23.17 | 10.53 | 8.92 |
| 6. | PAT | 59.57 | 24963 | 1123.89 | 53.76 |
| 7. | Net profit Margin | 0.01 | 6.43 | 5.45 | 2.19 |
| 8. | Return on Equity | 0.64 | 702.19 | 97.94 | 5.30 |
| 9. | Return on Capital Employed | 0.22 | 9.18 | 16.14 | 4.35 |

**Weighted average cost of acquisition ("WACA"), floor price and cap price**

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

The details of the Equity during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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 ("Primary Issuance") are as follows:

| Date of allotment | No. of equity shares allotted | Face value per equity share (□) | Issue price per equity share (□) * | Nature of allotment | Nature of consideration | Total Consideration (in □ lakhs) |
|---|---|---|---|---|---|---|
| November 18,2022 | 2,58,000 | 10 | 165 | Right Issue | Cash | 425.70 |
| December 06, 2022 | 53,60,000 | 10 | NA | Bonus share | NA | NA |
| Weighted average cost of acquisition | | | | | | 7.58 |

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

The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this prospectus , 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 ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

## STATEMENT OF TAX BENEFITS

**To,**
**The Board of Directors,**
**Bizotic Commercial Limited**
D-8 Samet Business Park, Nr. Khokra Circle, Khokra
Ahmedabad-380008, Gujarat, India.

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits available to Bizotic Commercial Limited ('the Company") and its shareholders prepared in accordance with the requirements in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("SEBI ICDR Regulations")**

We hereby report that the enclosed annexure, prepared by the management of the company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 read with Income Tax Rules, Circulars, Notifications ('Act') as amended by the Finance Act, 2023, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, 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 available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

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:**

A. the Company or its shareholders will continue to obtain these benefits in future; or
B. the conditions prescribed for availing the benefits have been/would be met.
C. The revenue authorities/court will concur with the views expressed herein

The contents of the enclosed 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 do not assume responsibility to update the views, 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.

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

This report including enclosed annexure is intended for your information and for inclusion in the Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**M/s. D G M S & Co.,**
**Chartered Accountants**
**Firm Reg No: 112187W**

**Sd/-**
**Shashank P Doshi**
**Partner**
**Mem. No: 108456**
**UDIN: 23108456BGUDJD5534**

**Place: Ahmedabad**
**Date: May 17, 2023**

**ANNEXURE**

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

Outlined below are the possible special tax benefits available to Company and its shareholders under Income Tax Act 1961("the Act") presently in force in India.

**A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT")**

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

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")**

The Shareholders of the Company are not entitled to any special tax benefits under the Act

**Note:**

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION V – ABOUT THE COMPANY

## INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.*

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Information" on pages 18 and 104, respectively of the 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, please see the section 'Risk Factors' on page 18 of the Prospectus. Accordingly, investment decisions should not be based on such information.*

### AN OVERVIEW OF ECONOMY

### WORLD ECONOMY

According to the United Nations World Economic Situation and Prospects (WESP) 2022 report, the global economic recovery is facing significant headwinds amid new waves of COVID- 19 infections, persistent labor market challenges, lingering supply-chain challenges and rising inflationary pressures. After expanding by 5.5 percent in the year 2021, the global output is projected to grow by 4.0 percent in the year 2022 and 3.5 percent in the year 2023.

Global merchandise trade has already surpassed pre-pandemic levels, maintained by strong demand for electrical and electronic equipment, personal protective equipment, and other manufactured goods. Manufacturing dependent economies have fared better, both during the crisis and the recovery period, but a quick rebound looks unlikely for tourism- and commodity-dependent economies. Trade in services, in particular tourism, will remain depressed amid slow lifting of restrictions on international travel and fear of new waves of infection in many developing countries.

The World Economic Outlook (WEO) of October-2021 has estimated India's economy to become the sixth largest in the world. The size of the Indian economy is estimated at US$ 2.9 trillion in 2021 is given in the Table-1.

**Table-1: Top 10 Economies in the World in terms of GDP at Current US $ Trillion**

| S R No: | Country | 2019 | 2020 | 2021 (E) |
|---|---|---|---|---|
| 1. | United States | 21.4 | 20.9 | 22.9 |
| 2. | China | 14.3 | 14.9 | 16.9 |
| 3. | Japan | 5.1 | 5.0 | 5.1 |
| 4. | Germany | 3.9 | 3.8 | 4.2 |
| 5. | United Kingdom | 2.8 | 2.7 | 3.1 |
| 6. | India | 2.9 | 2.7 | 2.9 |
| 7. | France | 2.7 | 2.6 | 2.9 |
| 8. | Italy | 2.0 | 1.9 | 2.1 |
| 9. | Canada | 1.7 | 1.6 | 2.0 |
| 10. | Korea | 1.7 | 1.6 | 1.8 |

### INDIAN ECONOMY

To convert COVID-19 pandemic related challenges into opportunity, a series of measures have been taken by the GoI to improve the economic situation including inter-alia announcement of the Atma nirbhar package amounting to Rs. 29.87 lakh crore. Targeted interventions were made to support the economy and livelihood. Moreover, the pace of structural reforms is expedited.

India is among the top three nations in the world which are leading the global renewable energy growth. India added 10 GW of solar and wind capacity in the first nine months of 2021.

Sustainable Development Goal 3.0 report is released by NITI Aayog, GoI. India's overall score improved by six points, from 60 in 2019 to 66 in 2020-21, across all sustainable development targets.

India's Goods and Services Tax (GST) revenue posted another strong month, rising 13% from a year ago to Rs. 129780 crores in December 2021 and all time higher Rs. 1.40 lakh crore in January 2022, indicating the rapid economic recovery after the second wave.

According to Economic Survey-2022, Indian economy is in a good position to witness GDP growth of 8.0-8.5 percent in the year 2022-23.

The Reserve Bank of India has retained its growth forecast at 9.5% for financial year 2021-22 while revising down its inflation forecast to 5.3%.

The International Monetary Fund (IMF) has retained India's GDP growth projections for the financial year 2021-22 at 9.5% and forecasts 8.5% expansion the next year, retaining the fastest growing major economy tag.

(Source: Socio-Economic Review Gujarat State 2021-2022)

**MARKET SIZE**

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world’s largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (43million bales of 170 kg each) by 2030, driven by increasing demand from consumers




Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during the same period.

India’s textile and apparel exports (including handicrafts) stood at US$ 44.4 billion in FY22, a 41% increase YoY. India’s textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US$ 6.19 billion in FY22.

India’s textile and apparel exports (including handicrafts) stood at US$ 44.4 billion in FY22, a 41%increase YoY. India’s textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US$ 6.19 billion in FY22.

India’s textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across

the country.

**INVESTMENT AND KEY DEVELOPMENT**

The industry (including dyed and printed) attracted foreign direct investment (FDI) worth US$ 4.03 billion from April 2000-June 2022. The textiles sector has witnessed a spurt in investment during the last five years.

- Arvind Limited, the largest textile to technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specialises in rejuvenating textile waste into virgin grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.

- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.

- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. and MBA courses in technical textiles.

- In November 2021, Federico Salas, the Mexican Ambassador to India, visited the Khadi India Pavilion at the India International Trade Fair 2021 and suggested that India and Mexico should come together to promote Khadi globally.

- Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0 an upgraded, patented end-to-end traceability technology to track textile raw materials throughout the supply chain.

- Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.

- In October 2021, Welspun India collaborated with DuPont Biomaterials to introduce a home textile range and strengthen the company's sustainable textiles business.

- In May 2021, Indo Count Industries Ltd. (ICIL) announced an investment of Rs. 200 crore (US$ 26.9 million) to expand its production capacity.

- In April 2021, RSWM Limited, flagship company of the US$ 1.2 billion LNJ Bhilwara Group, was recognised for achieving the highest textile export turnover in 2020 by the Ministry of Industries & CSR, Government of Rajasthan.

- In April 2021, Bella Casa Fashion & Retail Ltd. (BCFRL) announced that it is expanding its two existing plants and adding one new facility to offer employment opportunities to 1,000 people. The expansion would involve a total investment of Rs. 65 crore (US$ 8.63 million).

**(Source: https://www.ibef.org/industry/textiles)**

**GOVERNMENT INITIATIVES**

**Gujarat Textile Policy-2012**

Industries and Mines Department, Government of Gujarat has announced Gujarat Textile Policy - 2012 to encourage whole textile value chain by providing interest subsidy and other incentives. Scheme duration is completed on dated 03/09/2018, but the process of the sanctioned claims is continuing.

**Gujarat Garments & Apparel Policy- 2017**

Gujarat Garments and Apparel Policy-2017 has been declared by the Government of Gujarat. Under this scheme various incentives like interest subsidy, power tariffs, pay roll assistance, assistance for plug and play system through GIDC, assistance for dormitories, assistance for skill development and establishment of mega apparel park is included.

**Scheme for assistance to Strengthen Specific Sector in the Textile Value Chain**
Government of Gujarat has decided to come out with a new scheme to strengthen the value chain and extend

support to Textile Industry vide Industries & Mines Department G.R. No. TEX/102018/ 3327/Ch, dated 10/01/2019, which includes following schemes.

Scheme-1: Interest Subsidy
Scheme-2: Power Tariff Subsidy.
Scheme-3: Assistance for Energy and Water conservation and Environment compliances
Scheme-4: Assistance for Technology acquisition and upgradation.
Scheme-5: Support for establishing Textile Park.

The operative period of the above scheme is from 4th September 2018 to 31st December 2023.

Under this scheme, assistance up to maximum of Rs. 5.00 crore at 55% of the cost of shed has been given.

Under this scheme, the principle approval has been given to total 17 projects since 2015. On receipt of claims for approved projects, disbursement will be made.

The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.
**(Source: Socio-Economic Review Gujarat State 2021-2022)**

Other initiatives taken by the Government of India are:

- In November 2022, Tamil Nadu Chief Minister M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.

- In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.

- In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.

- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.

- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.

- In May 2022, Minister of Micro, Small and Medium Enterprises, Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.

- In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.

- The Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed

in FY22.

- The Government of India has earmarked a corpus of Rs. 1,000 crore (US$ 127.72 million) dedicated for research and development of the technical textiles sector.

- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.

- In March 2022, Tamil Nadu Chief Minister MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.

- Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US$ 1.62 billion). Out of this, Rs.133.83 crore (US$ 17.5 million) is for the Textile Cluster Development Scheme, Rs. 100 crore (US$ 13.07 million) for the National Technical Textiles Mission, and Rs. 15 crore (US$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the PLI Scheme.

- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.

- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US$ 10 billion over the next three years.

- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.

- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US$ 4.03 million) under the National Handloom Development Programme (NHDP).

**ROAD AHEAD**

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials**.** With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population and increasing demand by sectors like housing, hospitality, healthcare, etc.

The technical textiles market for automotive textiles is projected to increase to US$ 3.7 billion by 2027, from US$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US$ 2 billion in 2020 to US$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US$ 209 billion by 2029.



(Source: https://www.ibef.org/industry/textiles)

**Country-wise Production and Consumption of Cotton**

| Country | 2019-20 | | 2020-21 | | 2021-22 | |
|---|---|---|---|---|---|---|
| | Production | Consumption | Production | Consumption | Production | Consumption |
| **China (Main Land)** | 5.80 | 7.23 | 5.91 | 8.40 | 5.73 | 8.32 |
| **India** | 6.21 | 4.58 | 6.00 | 5.70 | 5.36 | 5.54 |
| **USA** | 4.34 | 0.47 | 3.18 | 0.52 | 3.81 | 0.56 |
| **Pakistan** | 1.46 | 2.34 | 0.96 | 2.15 | 1.27 | 2.45 |
| **Brazil** | 3.00 | 0.57 | 2.36 | 0.69 | 2.82 | 0.70 |
| **Uzbekistan** | 0.53 | 0.72 | 1.03 | 0.80 | 0.94 | 0.84 |
| **Vietnam** | 0.00 | 1.45 | 1.45 | 1.52 | 0.00 | 1.68 |
| **Bangladesh** | 0.04 | 1.50 | 1.50 | 1.64 | 0.04 | 1.73 |
| **Others** | 4.90 | 4.19 | 4.19 | 4.25 | 5.91 | 4.35 |
| **World total** | **26.27** | **23.05** | **24.38** | **25.66** | **25.89** | **26.16** |

**(Source: World: Journal 'Cotton This Month' – June 1, 2022, India: COCPC Meeting dated 23.05.2022)**

## BUSINESS OVERVIEW

**The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the section titled "Risk Factors" on page 18 of this Prospectus.**

This section 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 section titled 'Risk Factors' and the chapters titled 'Restated Financial Information and 'Management Discussion and Analysis of Financial Conditions and Results of Operations' beginning on page no. 18, 106 and 144 respectively, of this Prospectus.

**In this chapter, unless the context requires otherwise, any reference to the terms "We", "Us", "Our" and "BCL" are to M/s. Bizotic Commercial Limited. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Indian Accounting Policies set forth in the Prospectus.**

### Overview

### Company Background

Our Company's promoters, Sangita Aggarwala and Sanjay Gupta, Managing Director, are in the field of garment since their teenage, as their family business is also in garment industry. Sangita Aggarwala, married a man, who also belongs to the garment industry. In 2016, Sangita Aggarwala along with her brother Sanjay Gupta had decide to start their own business rather continue in the family business in the garments industry only. In initial days of the Company, we were in business of trading of Fabric, based in Ahmedabad only. Within a Year, we started manufacturing and trading of garments in Rajasthan, the birth & native place of our Promoters.

### Our Journey so far

Our Company's promoters, Sangita Aggarwala and Sanjay Gupta, Managing Director, are in the field of garment since their teenage, as their family business is also in garment industry. Sangita Aggarwala, married a man, who also belongs to the garment industry. In 2016, Sangita Aggarwala along with her brother Sanjay Gupta had decide to start their own business rather continue in the family business in the garments industry only. In initial days of the Company, we were in business of trading of Fabric, based in Ahmedabad only. Within a Year, we started manufacturing and trading of garments in Rajasthan, the birth & native place of our Promoters.

We are engaged into the business of manufacturing, designing and marketing of readymade garments offering diverse range of men's f Formal Wear, Casual Wear, Party Wear, Fit Wear, Sports Wear, Comfort Wear, Ethnic Wear, Winter Wear. We serve our customers through the channels of retail stores and e-commerce. Our garment manufacturing process includes cutting, stitching, sewing, finishing, inspection and packing. We outsource the entire garments manufacturing on job work basis from third party contractors from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications, procure the requisite raw materials at their own costs and begin the manufacturing process. The products delivered to us from third party contractors are completely finished and packaged to our warehouse/stores. However, we have not entered into Job work agreement.

We opened our first outlet in the Financial Year 2017-2018, on our own brand name "URBAN UNITED" in **Ajmer, Rajasthan**. From 2017 to 2020, we have opened approx our 40 outlets on franchisee basis in Rajasthan and Haryana Only. Because of the adverse impact of Covid -19 Lock down, many of our Franchisee holders cannot sustained due to heavy rent charges of the stores. Almost 28 franchised stores on rented premises were closed in Covid-19 period.

As garments industry is one of the everlastings and all-time booming industry, we came with our own Showrooms/Stores in the 2021-22. All our showrooms are located at prime locations in different cities of Rajasthan and Bihar. Currently, we have 20 stores in different cities of Rajasthan and 1 in Bihar on ongoing business out of which, 17 stores are on franchisee basis and 4 stores are owned by Company, itself. Our owned 4 Stores are located at Jaipur, Jodhpur, Bhilwada and Chittorgarh in Rajasthan.

Our all products are sold under our brand name "URBAN UNITED" through our exclusive stores/outlet either own or on franchisee. We have our own designers who develops new styles, fits, finishes to meet the latest fashion trends. In a season, the team works on over several designs, out of which few are picked up to constitute the new season collection. Our Company's core competency lies in our understanding of our customer's buying preferences and behaviour across the Indian market.

With our Promoter having a collective experience of over 2 decades in the textile industry together with our qualified and experienced team, we have endeavoured to introduce new styles, fits, finishes and fabrics to our product range. We have a latest collection of Formal Wear, Casual Wear, Party Wear, Fit Wear, Sports Wear, Comfort Wear, Ethnic Wear, Winter Wear and Accessories. Urban United is kind of, one-stop destination for men's apparel collection. We are in the business of designing, branding and retailing apparel under the brand name of Urban United.

In Franchisee Model, we enter into agreement with the franchisee with varied date of commencement to sell our products at showroom as per the terms and conditions like showrooms must be on our brand name only and all the product in the showroom must be our brand product only. We receive one-time interest free refundable security deposit from franchisee which is refundable on the termination of the agreement. All the staff must wear uniform of our Brand in all our showrooms. The design and space of the showroom is also decided by the Company person only. Our Franchisee Stores are working from morning 10:30 to evening 09:30 and our own stores are working from morning 10:30 to late evening 10:30 to 11:00.

We have entered into supply agreement with some of the e-commerce players very recently. Through these e-commerce websites, we have grown our business from Rajasthan to Pan India level. We operate our business on a FOB Model (Free on Board). We ensure that all our products must trade on a similar price on e-commerce platform and from our showrooms, to ensure our customers trust in our prices and in our products.

After filling the Draft Prospectus, Company has issued new 4 LOI to open the stores/showrooms on a franchisee basis in Shaheen Bagh (New Delhi), Green City Square (Bhatinda), Akola (Maharastra) and Bhucho Mandi (Punjab). As on date of the Prospectus, the above stated stores are not yet inaugurated.

The financial performance of our Company for last three Financials Years are as stated under:

Amount (Rs in Lacs)

| Particulars | December 31, 2022 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|
| Sales | 3748.26 | 5341.39 | 1679.95 | 1113.64 |
| Other Income | 1.14 | 0.58 | 0.02 | 0.33 |
| Total Income | 3749.40 | 5341.97 | 1679.97 | 1113.97 |
| Net Profit | 290.27 | 59.57 | 34.08 | 16.34 |

**OUR PRODUCTS:**

At present, our Company is primarily involved in designing, branding and retailing men's apparels under the brand 'URBAN UNITED'. Our product line consists of:

- Casual Wear
- Formal Wear
- Club Wear
- Comfort Wear
- Winter Wear
- Ethnic Wear
- Party Wear
- Fit Wear
- Sports Wear
- Accessories


YARD









The variety that our Company offers ranges from premium casuals/ party wear, semi-premium office to semi premium casuals catering to the any age group starting from 20 year (approx).

**Some Photos of Our Showrooms:**













**Location:**
Our stores are located in the following cities:

**Our Own Showrooms:**
- Jaipur
- Jodhpur
- Chittorgarh
- Bhilwada

**Our Franchisee Showrooms:**
- Bikaner
- Kota
- Udaipur
- Hajipur, Bihar
- Chomu
- Sanganer
- Navalgarh
- Vidyadyadhar nagar
- Shrimadhopur
- Sikkar
- Sumerpur Pali

- Jhunjhunu
- Barmer
- Tonk
- Bharatpur
- Rajgir, Bihar
- Behror

**Our Competitive Strength**

**Designing Capabilities**

We have in-house teams of designers who with their design respond to current consumer preferences and anticipate future fashion trends. We believe designing is a critical element of garments and development of designs is one of our strengths for selling proposition. Our design teams are supported by sophisticated computerized design systems including CAD/CAM. We plan to strengthen our capabilities in designing by continuously upgrading our design in terms of human resources.

**Experienced management Team**

We are led by an experienced management team that has the expertise and vision to manage and grow our business and promote our sustainability goals. We believe that the knowledge and experience of our promoters, along with our management, and our team of dedicated personnel, provide us with a significant competitive advantage as we seek to grow our existing markets and enter new geographic and product markets.

We have qualified in-house teams who are responsible for different aspects of our business including to make the online portal customer friendly, to invite new stores and new designers on very attractive terms etc. We are able to add significant number segments and products on our portal. Our integrated structure also allows us to control our budget and maximize returns from the portal, including designers returns and operation and maintenance margins.

**Established Marketing Setup and Diversified Customer Base**

We have an efficient sales & marketing team. The marketing team consists of well experienced and knowledgeable people to develop maintain and increase relations with our customers. Our marketing team also plays an important role in the development of new products based on their study.

**Distribution Network**

We distribute our products through retail distributors and multi-brand outlets in various parts of Rajasthan such as in Jaipur, Bikaner, Kota, Udaipur, Jodhpur. We sell our products through outlets which ultimately supply our goods to the end customers. Now, we have started selling our products through e-commerce platform also, where we can easily reach to pan India customers.

**Quality Product**

Our Company follows strict policy of supplying quality products. We are specific about the quality of products and intensive care is taken to determine the standard of every material/ product dispatched from our units. Additionally, our Company also keeps itself abreast with the latest changes in technology.

**Success through Franchising**

We believe that franchising is the key of expansion for business. Franchise helps brand to gain foothold in unknown territories by bring in their understanding of local market conditions and business expertise. On the other hand, our Company can leverage the brand equity and share the fruits of the brand's success and grow in the market.

**Our Business Strategy**

**Strengthening our brands**

We intend to invest in developing and enhancing recognition of our brands, through brand building efforts, communication and promotional initiatives such as advertisements in print media, hoardings, organizing events, participation in industry events, public relations and investor relations efforts. We have entered into supply agreement with some of the leading Indian digital commerce platforms. to enhance the visibility of our brands and strengthen our recognition.

**Expanding Geographic Reach**

The Company is currently in Rajasthan only, in their next phase, they are planning to open "COCO" (Company Owned Company Operated) stores mainly in the state of Gujarat. The location of the proposed COCO Stores as stated below:

| Sr. No. | Name of Cities | Name of Area/Street |
|---|---|---|
| 1. | Ahmedabad | Prahalad Nagar |
| 2. | Rajkot | Kalawad Road |
| 3. | Surat | Parle Point |
| 4. | Baroda | Alkapuri Road |
| 5. | Mahesana | Mahesana Industrial Estate Road |
| 6. | Anand | Anand Vidhyanagar Road |

Currently, we have our Registered Office in Gujarat and our showrooms are located in Rajasthan. Our Company will continue exploring opportunities in various other parts of India where it can supply its products to enhance its geographic reach not only through e-commerce platform but also through our showrooms. This will be a strategy that our Company will adopt in the near and middle term.

**Continued focus on innovative designs**

We are into garmenting business, which requires creation of designs in terms of prevailing fashion. We have team of designers and other facilities to come out with designs, which make our garments more of a fashion product and thus proving better in terms of price realization. Our strategy is to further improvise on designs development. Presently, we are mainly into the development, manufacture and trader of men' wear. We intend to continue to be focused into men's wear and to add women's wear and kids wear.

**Strengthening our presence through e-commerce platform**

We have entered into supply agreement with some of the leading Indian digital commerce platforms to enhance the visibility of our brands and strengthen our recognition experience. We intend to develop the e-commerce and online retail business to provide us with additional channels of reaching out to our customers. We believe developing and expanding the online space may further attract the attention of our targeted customers which can be converted into footfalls in our stores/outlets.

**Our Manufacturing Process:**

We place orders for our raw material requirements, which comprise of finished fabric, accessories such as fasteners, buttons, labels, and other consumables. We purchase the finished fabric and other raw materials from variety of suppliers. On receipt of the fabric and raw materials, our quality assurance team conducts a pre-production inspection. On approval of the quality assurance team, our manufacturing facility commences production, which involves cutting, sewing, finishing, and ironing, etc. Each stage of production is monitored by our quality assurance team to ensure conformity with our quality, cost and delivery requirements. Cutting of the fabric requires precision. To ensure minimum wastage, automated cutting tools are used for pattern grading and marker making. The stitching process comprises of different stitching machines, each for a specific purpose. We perform a range of finishing processes on our garments using specialized equipment including thread checking, ironing, steam pressing, collar pressing, accessories attachment and folding prior to packaging and delivery to customers.

**INFRASTRUCTURE FACILITIES AND UTILITIES LIKE WATER, ELECTRICITY, ETC.**

**Registered Office**

D-8 Samet Business Park, Nr. Khokra Circle, Khokra Ahmedabad - 380008, Gujarat, India

**Owned Showrooms:**

| Sr. No. | Address of Showrooms |
|---|---|
| 1 | Shop No 49-50, Nagori Garden, Bhilwara, Rajasthan - 311001 |
| 2 | Shop No. 8 Maharana Pratap Setu Marg, R A Colony, Krishna Colony, Chittorgarh, Rajasthan-312001 |
| 3 | 675 A 11th C Road, Opp. Hari Vedas Nr. Pizza Hut, Sardarpura, Jodhpur, Rajasthan - 342003 |
| 4 | Triton G-20 Ground floor, Triton Mall, Nr. Chomu Puliya Bus Stand, Jhotwara, Jaipur, Rajasthan - 302012 |

**Franchisee Showrooms**

| Sr. No. | Address of Showrooms |
|---|---|
| 1 | Bizotic Commercial Pvt Ltd, Near R K Fracture Hospital, Jaipur Road, Chomu, Rajasthan -303702 |
| 2 | Ramdev Complex, opp. Central Bank Anwarpur Chowk, Vaishali, Hajipur, Bihar - 844101 |
| 3 | Bizotic Commercial Pvt Ltd, Plot No -137, Keshar nagar, Muhana Road, Sanganer, Jaipur, Rajasthan-302029 |
| 4 | Comfort Zone, Shop No -9 & 10, Ramsapper Market, Podar Collage, Road, Navalgarh, Sikar, Jaipur, Rajasthan-302015 |
| 5 | Sanjay Associates, G17-18, Ground Floor, Alankar Plaza, Central S E, Vidhyadhar, Nagpur, Jaipur, Rajasthan - 302039 |
| 6 | Maruti Sales Corporation, Shop No. B-1, Shyam Plaza, Station Road, Shrimadhopur, Sikar, Rajasthan – 332715 |
| 7 | Bizotic Commercial Pvt Ltd, Chandpole Gate, Near Clock Tower, Sikar, Rajasthan- 332001 |
| 8 | Laxmivenkaatesh Appareels, Opp. Police Station, Sumerpur, Pali, Rajasthan - 306902 |
| 9 | Roop Madhuban Building, Shop No 3,4, Opp Badola Hyundai, Shobhag, Pura Circle, 100 Ft Road Udaipur Rajasthan, 313001, |
| 10 | Bizotic Commercial Private Limited Shop No.16, Ground Floor, City Center Mall Ashoknagar Main Road, Udaipur, Rajasthan, 313001 |
| 11 | Bizotic Commercial Pvt Ltd, Urban United, Ground Floor, Road No.3, Near Peeru Singh Circle, Opp. Tetarawal Dharam Kanta, Jhunjhunun, Rajasthan - 333001 |
| 12 | N- Store, Ground Floor, Hotel Kailash Sarover Market, Station Road, Barmer, Rajasthan - 344001 |
| 13 | Plot No-4, Kamdhenu Circle, Near Vardhman Polywood, Jaipur Road, Tonk, Rajasthan - 304001 |
| 14 | Bizotic Commercial Pvt Ltd, G-1 Asha Sadan, Vimala Tower, Infront of Multipurpos School, Agra Bharatpur Road, Bharatpur, Rajasthan - 321001 |
| 15 | Madhuram Sales, 1 Madhuram Mini Mall, Opp Allen Sangyan Bulding, Kota, Rajasthan -324008 |
| 16 | Dharam Shala Road, Near SBI ATM, Rajgir Nalanda, Bathani, Bihar – 803116 |
| 17 | Susheel Fashion, Hotel Highway Express National Highway NOB, Jaipur Dilhi Highway Shapur Behror Alwar, Rajasthan - 301701 |

**Power**

Our Company meets its power requirements in our office from the Torrent Power Ltd and the same is sufficient for our day-to-day functioning. All our Showrooms also have the power backup from the local authorities only, which is sufficient for day-to-day functioning, we do not require extra power back up in our routine course of business.

**Water**

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

**Plant, Machinery, Technology, process Etc.**

In our Company, for trading activities, we do not require any Plant, Machinery and Technology and for our manufacturing activity, we outsource the entire garments manufacturing on job work basis from third party contractors, hence requirement of Plant, Machinery and Technology is not applicable in our Company.

**E-Commerce**

We have entered into supply agreements for selling our products through some of the leading Indian digital commerce players. Pursuant to such agreements, we sell our products to them at a price which is fixed as per the terms and conditions of the respective agreements. We do not sell our products directly nor do we offer any discounts on such e-commerce platforms. Discounts, if any are offered by the such e-commerce platforms who purchase our products from us.

**Collaborations, any Performance guarantee or assistance in marketing by the Collaborators**

Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

**Human Resources**

Human resource is an asset to any industry, sourcing and managing. We believe that our employees are the key to the success of our business. We focus on hiring, retaining employees who are skilled and having a prior experience in our field.

As on January 31, 2023, we have the total strength of 41 permanent employees in various departments other than Directors of the Company. The details of which is given below:

| Sr. No. | Particulars | Employees |
|---|---|---|
| 1) | Store/Showroom Managers | 03 |
| 2) | Assistant Managers | 03 |
| 3) | Marketing | 02 |
| 4) | Human Resource Manager | 01 |
| 5) | Accountant | 02 |
| 6) | Other | 30 |
| | **Total** | **41** |

We have not experienced any major strikes, work stoppages, labour disputes or actions by or with our employees, and we have good and cordial relationship with our employees.

**Capacity and Capacity Utilization**

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

**Sales and Marketing Strategies**

Our branding strategy focuses on the modern designs of our products in fashion trends and quality of products. Our marketing program includes advertising in print media, electronic advertising, hoardings, radio adds etc. We participate in the local cricket tournaments arranged in Rajasthan etc. We also seek to improve our web presence through some of the leading Indian digital e-commerce players. We sell our products through our retail stores/showrooms located at various places in Rajasthan. Our marketing team comprises of marketing professionals headed by our Promoters & Managing Director Sanjay Gupta. We communicate about our new collections, in-store promotions and end of season sales through customer relationship management program.

**Intellectual Property Rights**

For further details of the trademarks registered in the name of our Company and the applications made for registration, please refer “Government and Other Approvals” on page 158 of this Prospectus.

**Competition**

We face significant competition from both organised and unorganised players. Our focus on customer satisfaction through in-house designing capabilities combined with our quality consciousness provides us with for most of our products. We strive to reduce our cost of production and improve our product offerings, our advertising communications and our operating efficiencies, to remain competitive.

**Export possibility and obligation**

We do not have any export possibility and obligation.

**Details of Immovable Property:**
Company has taken following Properties on rent basis:

| Particulars | Details |
|---|---|
| Name of Licensor | Sanjay Bhanvarlal Mehta |
| Name of the Licensee | Bizotic Commercial Pvt. Ltd |
| Address | D-8 Samet Business Park, Nr. Khokra Circle, Khokra Ahmedabad 380008, Gujarat, India |
| Date of agreement | February 09, 2023 |
| Rent per month | Rs. 39270 p.m. |
| Purpose | Registered Office |
| Duration of Agreement | 11 Months |

| Particulars | Details |
|---|---|
| Name of Lessor | Rajendra Kumar |
| Name of the Lessee | Bizotic Commercial Pvt. Ltd |
| Address | Shop No 49-50, Nagori Garden, Bhilwara, Rajasthan - 311001 |
| Date of agreement | November 09, 2020 |
| Rent per month | Rs. 80,000 p.m. |
| Purpose | Retail tore / Showroom |
| Duration of Agreement | 5 years with effect from November 09, 2020 |

| Particulars | Details |
|---|---|
| Name of Lessor | Saman Malik |
| Name of the Lessee | Bizotic Commercial Pvt. Ltd |
| Address | G-20 Ground floor, Triton Mall, Nr. Chomu Puliya Bus Stand, Jhotwara, Jaipur, Rajasthan - 302012 |
| Date of agreement | March 25, 2021 |
| Rent per month | Rs. 71,000 p.m. |
| Purpose | Retail store / Showroom |
| Duration of Agreement | 5 years with effect from March 25, 2021 |

| Particulars | Details |
|---|---|
| Name of Lessor | Deepak Gyanchandani, Dinesh Gyanchandani, and Ashish Gyanchandani, |
| Name of the Lessee | Bizotic Commercial Pvt. Ltd |
| Address | 08, Maharana Pratap Setu Marg, R.A Colony, Krishna Colony, Chittorgarh, Rajasthan- |
| Date of agreement | October 28, 2021 |
| Rent per month | Rs. 2,25,000.00 p.m. |
| Purpose | Retail store / Showroom |
| Duration of Agreement | 9 years with effect from April 29, 2022 |

| Particulars | Details |
|---|---|

| | |
|---|---|
| Name of Lessor | Firoz Khan |
| Name of the Lessee | Bizotic Commercial Pvt. Ltd |
| Address | 08, Maharana Pratap Setu Marg, R.A Colony, Krishna Colony, Chittorgarh, Rajasthan- |
| Date of agreement | April 29, 2022 |
| Rent per month | Rs. 41,000.00 p.m. |
| Purpose | Retail store / Showroom |
| Duration of Agreement | 9 years with effect from April 29, 2022 |

**Insurance:**

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards. At present our insurance policies provide cover against Standard fire and special perils policy, burglary standard policy and burglary standard policy which cover risk including loss of stock of readymade garments, accessories and raw materials etc. These insurance policies are generally valid for one year and are renewed annually by us.

## KEY INDUSTRY REGULATIONS AND POLICIES

The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain.

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled "Government and Other Approvals" beginning on page no. 158 of this Prospectus. The following description is a summary of the few relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India.

- **INDUSTRY SPECIFIC REGULATIONS**

**The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")**

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

The Central Government has vided its notification numbering 1702(E) dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020.

The revised definition is as under:

I. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
II. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
III. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council. The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

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

**The Gujarat Shops and Establishments act of 1948**

The Gujarat Shops and Establishments act of 1948, takes a holistic approach while dealing with Shops and Establishments, it takes into consideration of every situation wherein the employer is placed, thus accordingly designing the provisions for him/her to smoothly run his/her establishment. It also takes into its view sight the conditions of the employees and it makes an attempt to safeguard their rights. Thus, all in all the Gujarat Shops and Establishments act is a very balanced legislation that takes into consideration the rights and conditions of both the employer and the employee.

**The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat promulgated this law to structure and formulate the

respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Pursuant to Notification No. (GHN-10) PFT-2008-S.3(2)(3)-TH, issued by the Finance Department of Sachivalaya, Gandhinagar, dated 01.04.2008, the Government of Gujarat have specified the rates in column 3, 4 and 5 of the schedules of the Act, as minimum rates which shall be levied by the respective Designated Authorities for the class of person specified in column 2 of schedule of the Act.

**Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

- **GENERAL LAWS**

**Competition Act, 2002 ("Competition Act")**

The Competition Act, 2002 aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("**Competition Commission**") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

**The Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vided its notification dated September 12, 2013 has notified 98 (Ninety-Eight) Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 (One Eighty-Three) Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013.The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

**The Indian Stamp Act, 1899**

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

**The Negotiable Instruments Act, 1881 ("NI Act")**

In India, the laws governing monetary instruments such as cheques are contained in the **"NI Act"**, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, and with fine which may extend to twice the amount of the cheque, or with both.

**The Trade Marks Act, 1999**

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

**The Patents Act, 1970**

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

**The Copyright Act, 1957**

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings. Once registered, copyright protection of a work lasts for a period of sixty years from the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amounts to an infringement of copyright.

**The Arbitration and Conciliation Act, 1996**

The purpose of the 1996 Act is to amend and unify domestic arbitration and international commercial arbitration and enforce foreign arbitral awards. The law was also amended in 2015 and 2019 to reduce court involvement in the arbitration. Section 89 of the Civil Procedure Code focuses on the importance of arbitration.

- **TAX RELATED LEGISLATIONS**

**Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. The IT Act provides for taxation of person resident in India on global income and person not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its Return by September 30 of each assessment year.

**Goods & Service Tax ("GST")**

Gujarat Goods and Services Tax Act, 2017
Central Goods and Services Tax Act, 2017
The Integrated Goods and Services Tax Act, 2017

Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST shall be levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST. (Integrated tax - IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. Besides, some goods and services would be under the list of exempt items.

- **EMPLOYMENT AND LABOUR LAWS**

**Industrial (Development and Regulation) Act, 1951**

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

**The Contract Labour (Regulation and Abolition) Act, 1970 (the "CLRA")**

The CLRA requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

**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 Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 (Act) was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity". The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

**Payment Of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

**Employees" Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act")**

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 employee's 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.

**Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A 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 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as ―Deposit- Linked Insurance Fund Account.

**The Employees Pension Scheme, 1995**

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

**Employees" State Insurance Act, 1948 (the "ESI Act")**

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. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This 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.

**Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (MWA) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

**Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour is prohibited in Building and Construction Industries and as per Part A of the Schedule it is applicable to the Port and the vicinity of the port area.

- **OTHER INDIAN LAWS**

In addition to the above, our Company are also governed by the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, foreign exchange and investment laws and foreign trade laws and other applicable laws and regulation imposed by the central and state government and other authorities for over day to day business, operations and administration.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as 'Bizotic Commercial Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 29,2016 bearing Corporate Identification Number U74999GJ2016PTC094934 issued by the Deputy Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, Government of India. Subsequently, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 15, 2022 and consequently the name of our Company was changed to "Bizotic Commercial Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 26, 2022. The CIN of the Company is U74999GJ2016PLC094934.

**Business and Management**

For a description of our activities, services, and the growth of our Company and regional geographical segment in which our Company operates, please refer to chapters titled "Business Overview", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 75, 69, and 144 of this Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled "Our Management" on page 93 of this Prospectus.

**Changes in Registered Office**

| Sr. No. | Registered Office | | With Effect From | Reason for Change |
|---|---|---|---|---|
| | Shifted From | Shifted To | | |
| 1. | A,502 Kedar Flats, Opp. Rajasthan Hospital, Shahibaug, Ahmedabad, Gujarat, India, 380004. | Block D, House No.8, Samet Business Park, Nr. Khokhra Circle, Khokhra, Ahmedabad- 380008. | July 1, 2021 | For Administrative convenience |

**Main Objects as set out in the Memorandum of Association of the Company**

The Main object clause of the Company as per Memorandum of Association is as under:

1. "To carry on the business of establishing, developing, undertaking, designing, producing, conceptualising, marketing, selling and licensing of various Textiles, marketing products, solutions and services utilizing information technology, internet, telecommunications etc. To various organisations situated both in India and out of India. Including aggregation of discounts offers, rebates and customer loyalty mailing programs, rebate programs, through direct marketing, targeted marketing, as well as untargeted marketing, through print, electronic, internet, telecom and other media now known to man or as may be made available in future.

**Amendments to the Memorandum of Association**

The following changes have been made in the Memorandum of Association of our Company since its inception:

- **Name Clause**

| Sr. No. | Date of Name Change | Particulars |
|---|---|---|
| 1. | December 26, 2022 | Consequent to conversion from Private Limited Company to Public Limited Company, Name of our company has been changed from "Bizotic Commercial Private Limited" to "Bizotic Commercial Limited". |

- **Authorized Capital**

| Sr. No. | Date of Passing of Resolution | Type of Meeting | Particulars |
|---|---|---|---|
| 1. | October 19, 2022 | Extra Ordinary General Meeting | The authorized share capital of ₹1,00,000/- (Rupees One Lac only) consisting of 10,000 (Ten Thousand) Equity shares of ₹10/- each was increased to ₹9,00,00,000/- (Rupees Nine Crores Only) consisting of 90,00,000 (Ninety Lakh) Equity shares of ₹10/- each |

## MAJOR EVENTS, KEY AWARDS, ACCREDITATIONS OR RECOGNITION OF OUR COMPANY

There are no major events in the company since its incorporation.

**Acquisition or divestments of business/undertakings, mergers and amalgamations**

Our Company neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation since Incorporation.

**Strategic Partners**

Our Company is not having any strategic partner as on the date of filing this Prospectus.

**Financial Partners**

Our Company is not having any financial partner as on the date of filing this Prospectus.

**Time and Cost Overruns**

As on the date of this Prospectus, there have been no time and cost overruns pertaining to our business operations.
For details pertaining to our services, capacity and capacity utilization, entry in new geographies or exit from existing markets, please refer chapter titled "Business Overview" on page 75 of this Prospectus.

**Injunctions or Restraining Orders**

As on the date of this Prospectus, there are no injunctions or restraining orders against our Company.

**Changes in the activities of our Company in the last Five years**

There is no change in activity of our Company in the Last Five years.

**Defaults or rescheduling of borrowings of our Company with Financial Institutions/Banks**

There have been no defaults or rescheduling of borrowings or conversion of loans into equity with any financial institutions/banks in relation to our Company as on the date of this Prospectus.

**Revaluation of assets**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares by capitalizing any revaluation reserves.

**Subsidiaries and Holding Company**

Our Company neither has a Holding company nor has any Subsidiary Company as on the date of this Prospectus.

**Joint Ventures**

Our Company has not entered into any joint-ventures as on the date of this Prospectus.

**Shareholders' Agreements**

Our Company has not entered into any shareholders agreement as on the date of this Prospectus.

**Other Agreements**

Our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

**The following table sets forth the details of our Board of Directors as on the date of this Prospectus:**

| Name, Age, Date of Birth, Director Identification Number (DIN), Occupation, Designation, Address, Nationality, Term, Date of Appointment / Change in Designation | Other Directorships as on the date of this Prospectus |
|---|---|
| **Sanjay Gupta**<br>**DIN:** 07610448<br>**Date of Birth:** 07/08/1973<br>**Age:** 49 years<br>**Occupation:** Business<br>**Designation:** Managing Director<br>**Address:** A 502, Kedar Tower, Opp. Rajasthan Hospital, Shahibaug, Ahmedabad, Gujrat- 380004<br>**Nationality:** Indian<br>**Term:** Five (5) years w.e.f. January 25, 2023<br>**Original Date of Appointment:** Appointed on December 29, 2016 as Executive Director | Symmetry Consumer Products Private Limited* |
| **Inderpreet Kaur Gulati**<br>**DIN:** 09213754<br>**Date of Birth:** 16/11/1979<br>**Age:** 43 years<br>**Occupation:** Business<br>**Designation:** Executive Director & CFO<br>**Address**: block -I 903, Parishkar part -2, Nr Khokhra circle, Khokhra, Ahmedabad City, Ahmedabad, Gujarat - 380026<br>**Nationality:** Indian<br>**Terms**: Retire by Rotation<br>**Original Date of Appointment:** December 22, 2021 | - |
| **Mohit Agarwal**<br>**DIN**: 06425687<br>**Date of Birth:** 28/12/1973<br>**Age:** 49 years<br>**Occupation:** Professional<br>**Designation**: Non-Executive Director<br>**Address:** 1, Shital chhaya Apartment, Opp. Department of Geography Univercity Area, Navrangpura, Ahmedabad, Gujrat- 380009<br>**Nationality:** Indian<br>**Term:** Retire by Rotation<br>**Orignial Date of Appointment:** August 24, 2022 | Bee Electric Private Limited |
| **Avani Shah**<br>**DIN**: 09608898<br>**Date of Birth:** 13/07/1993<br>**Age:** 29 years<br>**Occupation:** Professional<br>**Designation:** Non-Executive – Independent Director<br>**Address:** 5, Sambhavnath Apartment, above Dena Bank, Jawaherchowk Sabarmati, Ahmedabad-380005.<br>**Nationality:** Indian<br>**Term:** Five (5) years w.e.f. January 25, 2023<br>**Date of Appointment:** December 31,2022 | Sunrest Lifescience Limited |
| **Hareshkumar Suthar**<br>**DIN**: 08388083<br>**Date of Birth:** 13/09/1990<br>**Age:** 32 years<br>**Occupation:** Professional<br>**Designation:** Non-Executive – Independent Director | Trescon Limited |

| Name, Age, Date of Birth, Director Identification Number (DIN), Occupation, Designation, Address, Nationality, Term, Date of Appointment / Change in Designation | Other Directorships as on the date of this Prospectus |
|---|---|
| **Address:** B 48, Akshar Residency, Near Dhaval Society, Mithikui, Near Mithikui Circle, Dholka, Ahmedabad, Gujarat-387810<br>**Nationality:** Indian<br>**Term:** Five (5) years w.e.f. January 25, 2023<br>**Date of Appointment:** December 31,2022 | |
| **Juhi Sawajani**<br>**DIN**: 09811893<br>**Date of Birth:** 26/08/1996<br>**Age:** 26 years<br>**Occupation:** Professional<br>**Designation:** Non-Executive – Independent Director<br>**Address:** Thikadar pada, tittagarh, Balangir, Odisha- 767033<br>**Nationality:** Indian<br>**Term:** Five (5) years w.e.f. January 25, 2023<br>**Date of Appointment:** December 31,2022 | Sunrest Lifescience Limited |

*Status of the company on the date of filing of prospectus is Strike Off.

**Confirmations**
**As on date of this Prospectus**

**A.** None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.
B. None of the Directors are on the RBI List of willful defaulters.
C. None of the Directors are/ were directors of any listed entity whose shares were delisted from any Stock Exchange(s).
D. Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.
E. None of the Directors are fugitive economic offender.

**Family Relationship between the Directors**

None of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

**Arrangements with major Shareholders, Customers, Suppliers or Others**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Prospectus.

**Service Contracts with Directors**

Our Company has not entered into any other contract of service with our directors which provide for terms of employment of our directors. The said contract of service may be inspected at the Registered Office between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of the Prospectus until the Issue Closing Date.

**Borrowing Powers of the Board**

The Articles, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on January 25, 2023 in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the

aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed Rs 50 Crores.

**Brief Profiles of Our Directors**

**Sanjay Gupta,** aged 49 years, is the one of the Promoter and Managing Director of the Company. He holds a Bachelor of Science (Chemistry), Bharatiya Vidya Bhavan's Sheth R. A. College Ahmedabad. He has more than 25 years of experience in the field of Textile and Garments. He is one of the pioneers of our Company. With his expertise in the understanding of fabrics & designs, our Company can sustain in the high volatile market. He is looking for our marketing and overall business of the Company.

**Inderpreet Kaur Gulati,** aged 43 years, is an Executive Director & CFO of the Company. She holds the degree of Bachelor of Science from Delhi University. She has more than 10 years of experience in the field of Textile and Fabric. She is responsible for Business Development and operation of the Company. Because of her communication skills, she is looking for the Business Expansion Deals of the Company along with the handling the operations of the Showrooms.

**Mohit Agarwal,** aged 49 years, is Non-Executive Director of the Company. He has completed Bachelor of Commerce from Gujarat University in 1995. He has more than 25 years of experience in the field of finance and risk management. He is associated with our company as a director since August 24, 2022. He is looking for the smooth operational transactions and financials of our Company.

**Avani Shah,** aged 29 years, is an Independent Director of the Company. She has completed Master degree of Commerce. She has more than 10 years of experience in the field of administration. Presently, she is working with Freight Corridor Corporation of India Limited, a Government of India Enterprise (undertaken by Ministry of Railway) in Ahmedabad since 02/05/2012 till date on contractual basis. She is associated with our company as an Independent Director.

**Hareshkumar Suthar,** aged 32 years, is an Associate member of Institute of Cost Accountants of India. He has also completed his Bachelor degree of Commerce from Gujarat University in the 2013. He is the proprietor of Suthar Haresh & Associates. He has more than four years of experience in Cost Audit, Cost Control, Cost Reduction, Product Costing, MIS Reports, Variance Analysis, Material Flow Costing, Valuation of stock & etc.

**Juhi Sawajani,** aged 26 years, is an Associate member of Institute of Company Secretaries of India. She has also completed her Master degree of Commerce from Gujarat University in the 2019. Presently, she is working as a Company Secretary of Sky Textiles India Private Limited. She is well experienced in the field of secretarial compliances, GST and Trademark Registration. She will look after for the Compliance Requirement of our Company.

**Compensation of Managing Directors**

**Terms and conditions of employment of our Managing Director:**

Sanjay Gupta has been appointed as Managing Director of our Company in the Extra Ordinary General Meeting of the company held on January 25, 2023 for a period of Five (5) years commencing from January 25, 2023.

**The remuneration payable is as follows:**

| | |
|---|---|
| **Name** | Sanjay Gupta |
| **Date of Agreement** | February 04, 2023 |
| **Period** | Five (5) years commencing from January 25, 2023 |
| **Salary** | 1,00,000/- per month |

All other terms and conditions as mentioned in the Agreement may be inspected at the Registered Office between 10:00 a.m. and 05:00 p.m. (IST) on all Working Days from the date of this Prospectus until the Issue Closing Date.

**Payment or benefit to Independent Directors of our Company:**

We have not paid any sitting fees to our Independent Directors during the last financial year i.e., 2021-22.

**Shareholding of Directors in our Company**

The details of the shareholding of our directors as on the date of this Prospectus are as follows:

| Sr. No. | Name of the Directors | No. of Equity Shares | Percentage of Pre-Issue Capital (%) |
|---|---|---|---|
| 1. | Sanjay Gupta | 1700 | 0.03 |
| 2. | Mohit Agarwal | 100 | 0.00 |
| 3. | Inderpreet Kaur Gulati | 100 | 0.00 |
| **Total** | | **1900** | **0.03** |

**Interests of our Directors**

All our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Director are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer *"Our Management - Shareholding of Directors in our Company"* beginning on page 93 of this Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as stated in the chapter *"Business Overview"* on page 75 of this Prospectus and in the chapter *"Restated Financial Information"* on page 106 none of our directors have any interest in the property proposed to be acquired by our Company

Except as disclosed in the section titled in *"Restated Financial Information*" on page 106, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

For details with respect to loan to directors, please refer to chapter titled "*Restated Financial Information*" on page 106 of this Prospectus.

**Payment of benefits (non-salary related)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

**Bonus or profit-sharing plan for the Directors**

None of the Directors are party to any bonus or profit-sharing plan of our Company.

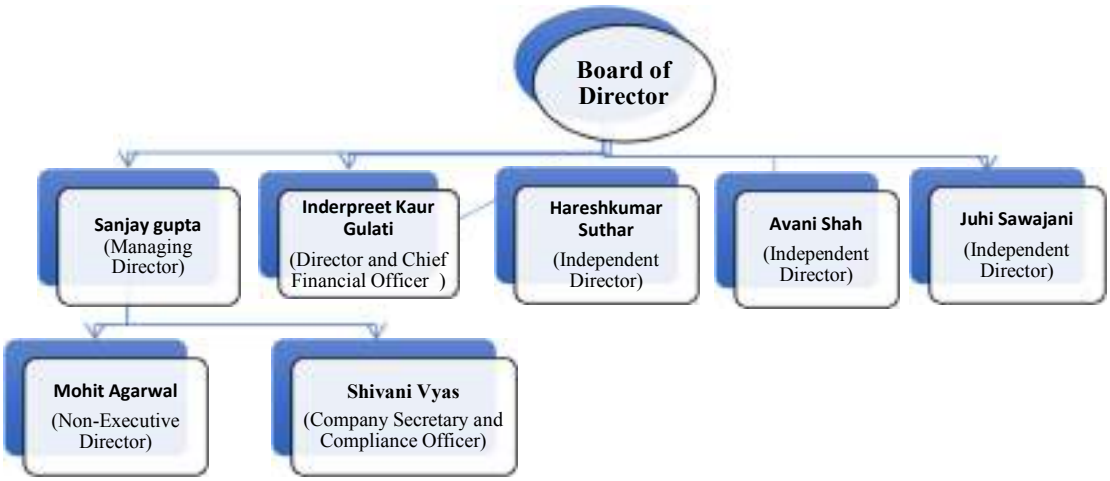
**Changes in our Company's Board of Directors during the last three (3) years**

Following are the changes in the Board of Directors during the last three (3) years

| Name of Directors / KMP | Date of Appointment / Regularization | Date of Change in Designation / Cessation | Reasons for changes in the Board |
|---|---|---|---|
| Sanjay Gupta | - | January 25, 2023 | Appointed as a Managing Director |
| Mohit Agarwal | August 24, 2022 | January 25, 2023 | Appointed as a Non-Executive Director from the Designation of Executive Director |
| Arunkumar Gupta | September 09, 2017 | December 22, 2021 | Resigned as Director |
| Inderpreet Kaur Gulati | December 22, 2021 | September 09, 2022 | Regularised as a Director |
| Avani Shah | December 31, 2022 | January 25, 2023 | Appointment as Independent Director |
| Hareshkumar Suthar | December 31, 2022 | January 25, 2023 | Appointment as Independent Director |
| Juhi Sawajani | December 31, 2022 | January 25, 2023 | Appointment as Independent Director |
| Inderpreet Kaur Gulati | January 31, 2023 | - | Appointed as CFO |

**Management Organization Structure**

**The following chart depicts our Management Organization Structure**




**COMPLIANCE WITH CORPORATE GOVERNANCE**

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D, and E of Schedule will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

**Constitutions of Committees**

Our Company has constituted the following committees:

1. **Audit Committee**

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on December 31, 2022 as per the applicable provisions of the Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The constituted Audit Committee comprises following members.

| Name of the Director | Nature of Directorship | Position in Committee |
|---|---|---|

| | | |
|---|---|---|
| Haresh Suthar | Non-Executive and Independent Director | Chairman |
| Juhi Sawajani | Non-Executive and Independent Director | Member |
| Inderpreet Kaur Gulati | Director / Chief Financial Officer | Member |

The Company Secretary of our Company shall act as a Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

**Terms of reference:**

**Role of Audit Committee**

The scope of audit committee shall include, but shall not be restricted to, the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Scrutiny of inter-corporate loans and investments.
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
b. Changes, if any, in accounting policies and practices and reasons for the same
c. Major accounting entries involving estimates based on the exercise of judgment by management
d. Significant adjustments made in the financial statements arising out of audit findings
e. Compliance with listing and other legal requirements relating to financial statements
f. Disclosure of any related party transactions
g. Qualifications in the draft audit report.

6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. 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;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. 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;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Valuation of undertakings or assets of the company, where ever it is necessary.
18. Evaluation of internal financial controls and risk management systems;
19. Monitoring the end use of funds raised through public offers and related matters.

**Review of information by Audit Committee**

The audit committee shall mandatorily review the following information:
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; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

**Powers of the Audit Committee:**

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**2. Stakeholders Relationship Committee**

Our Company has formed the Stakeholders Relationship Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated December 31, 2022. The constituted Stakeholders Relationship Committee comprises the following members:

| Name of the Director | Nature of Directorship | Position in Committee |
|---|---|---|
| Juhi Sawajani | Non-Executive and Independent Director | Chairman |
| Avani Shah | Non-Executive and Independent Director | Member |
| Inderpreet Kaur Gulati | Director | Member |

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee.

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

**Terms of Reference**

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
- Issue duplicate/split/consolidated share certificates;
- Dematerialization/Rematerialization of Share;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- 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
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

**3. Nomination and Remuneration Committee**

Our Company has formed the Nomination and Remuneration Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as

amended) vide board resolution dated December 31, 2022. The Nomination and Remuneration Committee comprises the following members:

| Name of the Director | Nature of Directorship | Position in Committee |
|---|---|---|
| Avani Shah | Non-Executive and Independent Director | Chairman |
| Haresh Suthar | Non-Executive and Independent Director | Member |
| Mohit Agarwal | Non-Executive Director | Member |

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

**The terms of reference:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Devising a policy on Board diversity, if any;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance
- 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
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

**Our Key Managerial Personnel**

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company

**Profiles of our Key Managerial Personnel**

**Sanjay Gupta**, **Managing Director**
Please refer chapter titled *"Our Management - Brief Biographies of our Directors"* on page 93 of this Prospectus.

**Inderpreet Kaur Gulati, Chief Financial Officer**
Please refer chapter titled *"Our Management - Brief Biographies of our Directors"* on page 93 of this Prospectus.

**Shivani Vyas, Company Secretary and Compliance Officer**
She is an associate member of Institute of Company Secretary of India having 6 years of experience with expertise in corporate law, industrial law, labour law, Securities law, tax law.

The Key Managerial Personnel of our Company other than our directors are as follows: -

| Name, Designation and Date of Joining | Qualification | Previous Employment | Overall Experience | Remuneration paid in previous year (2021-22) ₹ in Lakhs) |
|---|---|---|---|---|
| **Shivani Vyas**<br>Company Secretary and Compliance Officer<br>**D.O.J-** February 06, 2023 | Company Secretary | Proprietor of Shivani Vyas & Associates | 6 years | - |

| | | | | |
|---|---|---|---|---|
| **Inderpreet Kaur Gulati**<br>Chief Financial Officer<br>**D.O.J-** January 31, 2023 | Bachelor of Science | - | - | - |

**Relationship amongst the Key Managerial Personnel of our Company**

None of our directors and Key Managerial Personnel of our Company are related to each other.

**Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the above Key Managerial Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Prospectus

**Bonus or profit-sharing plan of the Key Managerial Personnel**

Our Company does not have a profit sharing plans for the Key Management Personnel.

**Shareholding of Key Management Personnel in our Company**

None of our Key Managerial Personnel except Sanjay Gupta and Inderpreet Kaur Gulati holds Equity Shares in our Company as on the date of filing of this Prospectus. For further details, please refer to section titled "*Capital Structure*" beginning on page 46 of this Prospectus

**Changes in Our Company's Key Managerial Personnel during the last three (3) years**

| Name of KMP | Designation | Date of Event | Reason |
|---|---|---|---|
| Inderpreet Kaur Gulati | Chief Financial Officer | January 31, 2023 | Appointed as Chief Financial Officer, |
| Shivani Vyas | Company Secretary and Compliance Officer | February 06, 2023 | Appointed as Company Secretary and Compliance Officer |

*For details with respect to the Changes in directors who are KMP, please refer to section titled Our Management - "Changes in our Company's Board of Directors during the last three (3) years" on page* 93 *of this Prospectus.*

**Interest of Key Managerial Personnel**

Except as disclosed in this Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business

**Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Prospectus

**Payment of Benefits to of Our KMPs (*non-salary related*)**

Except as disclosed in this Prospectus other than any statutory payments made by our Company to its KMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled *'Restated Financial Information'* beginning on page 106 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

**The Promoters of our Company are:**

| | |
|---|---|
|  | **Sanjay Gupta,** aged 49 years, is the Managing Director of our company.<br>**Date of Birth** – August 07, 1973<br>**Personal Address** - A 502, Kedar Tower, Opp. Rajasthan Hospital, Shahibaug, Ahmedabad, Gujarat- 380004, Gujarat, India<br>**Permanent Account Number**: APDPG3764P<br>For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled "Our Management" beginning on page 93 of this Prospectus. |
|  | **Sangita Aggarwala,** aged 44 years, is the Promoter of our company.<br>**Date of Birth** - June 3,1978<br>**Personal Address** - A 502, Kedar Flats, Opp. Rajasthan Hospital, Shahibaug, Ahmedabad, Gujarat- 380004, Gujarat, India<br>**Permanent Account Number**: BTZPA2295N<br>**Education Qualification:** Master of Arts with entire Hindi<br>**Experience:** She is in field of garment since their teenage, as their family business is also in garment industry. She is the pioneer and first director of our Company. She has more than 8 years of experience in the garment industry as a promoter of our Company. She provide her guidance to the Company as and when required.<br>**Past Directorships:** NA<br>**Special Achievements:** NA |

*For details of the build-up of our Promoter's shareholding in our Company, please see "**Capital Structure – Shareholding of our Promoters**" beginning on page 46 of this Prospectus.*

**Confirmations**

We confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card and Driving License of our Promoters will be submitted to the Stock Exchange at the time of filing the Prospectus with the Stock Exchange.

Further, our Promoters has confirmed that they have not been declared as willful defaulters or Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

**Other ventures of Promoters**

Other than as disclosed in this section, our Promoters are not involved in any other ventures.

**Change in the management and control of the Issuer**

Sanjay Gupta and Sangita Aggarwala are the Promoters of our Company since the inception of the company and there has been no change in the control of our Company in the five years immediately preceding the date of this Prospectus.

**Relationship of Promoters with our directors**

Sanjay Gupta is the brother of Sangita Aggarwala.

**Interest of Promoters**

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of his shareholdings, our Company and the shareholding of their relatives in our Company and the dividend declared and due, if any, and employment related benefits, if any paid by our Company. Sanjay Gupta is also interested as Managing Director of our company. For further details, please refer chapters titled "*Capital Structure*" and "*Our Management*" beginning on pages 46 and 93, respectively of this Prospectus. For further details, please refer chapters titled "*Capital Structure - Shareholding of our Promoters and Promoters Group*" beginning on page 46 and "*Restated Financial Information*" on page 106, respectively of this Prospectus.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

***Interest in the properties of our Company***

Our Promoter does not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Prospectus.

***Interest as members of our Company***

Our Promoter is interested to the extent of his shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled "*Capital Structure*" beginning on page 46 of this Prospectus.

No sum has been paid or agreed to be paid to our Promoter and our Promoter is not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

**Other Interest**

Our Promoter is not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

**Payment of benefits to our Promoters**

Except as stated in the *Annexure – 31 "Related Party Transactions"* on page 134 there has been no payment of benefits to our Promoter during the two years preceding the filing of this Prospectus.

**Guarantees**

Except as stated in the section titled "*Restated Financial Information*" beginning on page 106 of this Prospectus, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this Prospectus.

**Details of Companies / Firms from which our Promoters have disassociated**

None of Our Promoter has not been disassociated himself from any firms or companies in the last three (3) years preceding this Prospectus.

**Our Promoter Group**

Our Promoter Group in terms of Regulation and 2(1) (pp) of the SEBI ICDR Regulations, 2018. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

A. **Individual persons who are part of our Promoter Group**

**Promoters:** Sanjay Gupta and Sangita Aggarwala

| Promoters | Sanjay Gupta | Sangita Aggarwala |
|---|---|---|
| Father | Mahavirprasad Gupta | Mahavirprasad Gupta |
| Mother | Darshan Gupta | Darshan Gupta |
| Spouse | Palak Gupta | Annmol Aggarwala |
| Brother | - | Sanjay Gupta |
| Sister | Sangita Aggarwala<br>Sonal Singhania<br>Sushma Pansari | Sonal Singhania<br>Sushma Pansari |
| Son | Swayam Gupta | - |
| Daughter | - | Angel Aggarwala |
| Spouse's Father | Suresh Agrawal | Ved Prakash Aggarwala |
| Spouse's Mother | Aasha Agrawal | Sharda Aggarwala |
| Spouse's Brother | Amit Gupta<br>Rajesh Gupta | Srikant Aggarwala<br>Vikram Aggarwala |
| Spouse's Sister | - | - |

**Companies, Proprietary concerns, HUFs related to our promoters**

| Nature of Relationship | Entity |
|---|---|
| Anybody corporate in which twenty per cent. or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or Hindu Undivided Family in which the promoters or any one or more of their relative is a member | - |
| Anybody corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital; and | - |
| Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital; | Mahavir Textiles, Proprietorship of Sanjay Gupta |

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page 161 of Prospectus.

## DIVIDEND POLICY

As on the date of this Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 149. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The Company has not declared and paid any dividends on the Equity Shares since Incorporation.

## SECTION VI

## RESTATED FINANCIAL STATEMENTS

**To,**
**The Board of Directors,**
**Bizotic Commercial Limited**
D-8 Samet Business Park,
Nr. Khokra Circle, Khokra
Ahmedabad - 380008.

Dear Sir/Ma'am,

1. We have examined the attached Restated Financial Statement along with the Significant Accounting Policies and related notes of **Bizotic Commercial Limited** (the 'Company') as at and for the period ended on December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus / Prospectus (being collectively referred as "Offer Document") in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of the BSE Limited ("BSE").

2. The said Restated Financial Statements and other Financial Information have been prepared in accordance with the requirements of :

   i) Section 26 of Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

   iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Offer Document being issued by the Company for its proposed IPO of equity shares on SME Platform of the BSE Limited ("BSE"); and

   iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").

We have examined the accompanied 'Restated Statement of Profit and Loss' **(Annexure – 2)** for the financial years ended on March 31, 2022, March 31, 2021, March 31, 2020 and quarter ended on December 31, 2022, the 'Restated Statement of Assets and Liabilities' **(Annexure- 1)** and "Restated Financial Statement of Cash Flows" (**Annexure 3)** as on above dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies **(Annexure – 4)** thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements for the financial years ended on March 31, 2022, March 31, 2021, March 31, 2020 and for the period ended on December 31, 2022. The Financial Statements for the financial year ended on March 31, 2022, March 31,2021 and March 31,2020 is audited by **M/s. Niranjan Jain & Co.**, Chartered Accountants, and for the period ending on December 31, 2022 is audited by **M/s. D G M S & Co.,** Chartered Accountants, being the Statutory Auditor of the Company (Peer Review), which were approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

3. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of **Bizotic Commercial Limited**, we, M/s. D G M S & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

4. Based on our examination, we report that:

a. The "Restated Financial Statement of Assets and Liabilities" as set out in **Annexure 1,** Restated Financial Statement of Profit and Loss" as set out in **Annexure 2,** "Restated Financial Statement of Cash Flows" as

set out in **Annexure 3,** to this report, of the Company as at December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Financial Statements have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in **Annexure 4** & and Notes to Accounts to this Report.

b. The Restated Financial Statements have been made after incorporating adjustments for:

i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.

ii. Prior period and other material amount in the respective financial years to which they relate.

c. The audit reports on the financial statements of the Company as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 & period ending on December 31, 2022 as referred in paragraph 3 above, expresses an unmodified opinion except one qualification as mention which has been included in our report for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 & period ending on December 31, 2022 which do not give rise to any modifications.

**Qualified Opinion:**

*The Company has not made an actuarial valuation for provision of Gratuity as per AS 15 and accounted for gratuity when gratuity is claimed by the employee at the time of retirement. To that extent the profit & loss account of the company does not represent true & fair result of the company performance. And The Company neither collect nor deposited amount of provided fund and ESIC as per the statutory obligation. To that extent the profit & loss account of the company does not represent true & fair result of the company performance.*

5. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial Statements of the Company: -

i. Statement of Equity Share Capital, as restated (Annexure – 5)
ii. Statement of Reserves & Surplus, as restated (Annexure - 6)
iii. Statement of Long Term Borrowings, as restated (Annexure - 7)
iv. Statement of Nature and terms of repayment for borrowings, as restated ( Annexure – 7.1)
v. Statement of Other Long Term Liabilities, as restated (Annexure – 8)
vi. Statement of Short Term Borrowings, as restated (Annexure - 9)
vii. Statement of Trade Payables, as restated (Annexure - 10)
viii. Statement of Other Current Liabilities, as restated (Annexure - 11)
ix. Statement of Short Term Provisions, as restated (Annexure -12)
x. Statement of Property, Plant and Equipment, as restated (Annexure -13)
xi. Statement of Other Non-Current Assets, as restated (Annexure – 14)
xii. Statement of Inventories, as restated (Annexure - 15)
xiii. Statement of Trade Receivables, as restated (Annexure - 16)
xiv. Statement of Cash and Bank Balances, as restated (Annexure - 17)
xv. Statement of Short Terms Loans and Advances, as restated (Annexure - 18)
xvi. Statement of Other Current Assets, as restated (Annexure - 19)
xvii. Statement of Contingent Liabilities, as restated (Annexure - 20)
xviii. Statement of Revenue from Operations, as restated (Annexure - 21)
xix. Statement of Particular of Sale of Products, as restated (Annexure – 21.1)
xx. Statement of Other Income, as restated (Annexure - 22)
xxi. Statement of Other Income, as restated (Annexure – 22.1)
xxii. Statement of Statement of Particular of of Purchase of stock in Trade, as restated ( Annexure -23)
xxiii. Statement of Changes In Inventories, as restated (Annexure - 24)
xxiv. Statement of Employee Benefit Expenses, as restated (Annexure - 25)
xxv. Statement of Financial Cost, as restated (Annexure - 26)
xxvi. Statement of Depreciation, as restated (Annexure - 27)

xxvii. Statement of Other Expenses, as restated (Annexure - 28)
xxviii. Statement of payment to auditor, as restated ( Annexure – 28.1)
xxix. Statement of Deferred Tax Assets, as restated (Annexure - 29)
xxx. Statement of Reconciliation of Restated profit (Annexure – 30)
xxxi. Statement of Related Party Transactions, as restated (Annexure - 31)
xxxii. Statement of Earnings Per Share, as restated (Annexure - 32)
xxxiii. Statement of Tax Shelter, as restated ( Annexure -33)
xxxiv. Statement of Capitalization, as restated (Annexure - 34)
xxxv. Statement of Ratio Analysis, as restated (Annexure - 35 )

6. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure 1 to 35 read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

   Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

7. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. D G M S & Co.,**
**Chartered Accountants**
**FRN: 0112187W**

**Sd/-**
**CA Shashank P. Doshi**
**Partner**
**Membership No: 108456**
**Place: Jamnagar**
**Date: 16-02-2023**
**UDIN: 23108456BGUDEH8148**

**ANNEXURE 1 RESTATED BALANCE SHEET** **(Rs. In Lakhs)**

| Particulars | As At 31st December, 2022 | As At 31st March, 2022 | As At 31st March, 2021 | As At 31st March, 2020 |
|---|---|---|---|---|
| I. **EQUITY AND LIABILITIES** | | | | |
| **1 Shareholders' funds** | | | | |
| (a) Share capital | 562.8 | 1.0 | 1.0 | 1.0 |
| (b) Reserves and surplus | 302.72 | 122.17 | 62.60 | 28.52 |
| **2 non-current liabilities** | | | | |
| (a) Long-term borrowings | 157.56 | - | - | - |
| (b) Deferred tax liabilities (Net) | - | - | - | - |
| (c) Long-term Provisions | - | - | - | - |
| (d) Other Long-term Liabilities | 340.48 | 362.34 | 352.10 | 153.00 |
| **3 Current liabilities** | | | | |
| (a) Short-term borrowings | 211.83 | 256.48 | 84.42 | 76.48 |
| (b) Trade payables | | | | |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2073.08 | 2933.12 | 1317.46 | 781.71 |
| (c) Other current liabilities | 200.92 | 37.40 | 66.07 | 54.33 |
| (d) Short-term provisions | 123.55 | 25.87 | 14.01 | 7.00 |
| **TOTAL** | **3,972.95** | **3738.37** | **1,897.65** | **1,102.04** |
| **II.ASSETS** | | | | |
| **1 non-current assets** | | | | |
| (a) Fixed assets | | | | |
| (i) Tangible assets | 85.05 | 53.86 | 25.56 | 36.17 |
| (ii) Intangible Assets | 2.29 | 3.18 | 4.06 | 1.17 |
| (iii)Intangible Assets under development | - | - | - | - |
| (iv) Capital Work in Progress | - | - | - | - |
| Less: Accumulated Depreciation | - | - | - | - |
| Net Block | 87.34 | 57.04 | 29.62 | 37.34 |
| (b) Non-Current Investments | - | - | - | - |
| (c) Long-term loans and advances | - | - | - | - |
| (d) Other Non-Current Assets | 14.44 | 9.06 | 5.85 | 3.88 |
| (e) Deferred Tax Assets | 3.82 | 1.60 | 0.87 | 0.14 |
| **2 Current assets** | | | | |
| (a) Current Investments | - | - | - | - |
| (b) Inventories | 2163.40 | 1283.68 | 740.21 | 421.61 |
| (c) Trade receivables | 1345.18 | 2120.20 | 951.32 | 455.66 |
| (d) Cash and cash equivalents | 67.07 | 10.35 | 2.08 | 10.71 |
| (e) Short-term loans and advances | 291.70 | 256.45 | 167.69 | 171.16 |
| (f) Other Current Assets | - | - | - | 1.53 |
| **TOTAL** | **3972.95** | **3738.37** | **1,897.65** | **1,102.04** |

**ANNEXURE 2 RESTATED STATEMENT OF PROFIT & LOSS** **(Rs. In Lakhs)**

| Particulars | As At 31st December, 2022 | As At 31st March, 2022 | As At 31st March, 2021 | As At 31st March, 2020 |
|---|---|---|---|---|
| I. Revenue from operations | 3748.26 | 5341.39 | 1679.95 | 1113.64 |
| II.Other income | 1.15 | 0.58 | 0.02 | 0.33 |
| **III. Total Income (I + II)** | 3749.41 | 5341.98 | 1679.97 | 1113.97 |
| IV.Expenses: | | | | |
| Cost of Material Consumed | - | - | - | - |
| Puchases of Stock-In-Trade | 3847.93 | 5330.67 | 1708.61 | 1133.56 |
| Changes in inventories of Stock-in-Trade | (879.72) | (543.47) | (318.60) | (261.08) |
| Employee benefits expense | 90.31 | 90.70 | 27.36 | 28.46 |
| Finance costs | 23.86 | 1.38 | 8.03 | 3.00 |
| Depreciation and amortization expense | 19.18 | 9.88 | 12.98 | 5.58 |
| Other expenses | 243.21 | 372.19 | 194.00 | 181.85 |
| Total expenses | 3344.78 | 5261.35 | 1632.38 | 1091.37 |
| **V.Profit before tax (III-IV)** | **404.63** | **80.62** | **47.58** | **22.59** |
| VI Tax expense: | | | | |
| (1) Current tax | 116.58 | 21.78 | 14.24 | 6.40 |
| (2) Deferred tax | (2.22) | (0.73) | (0.74) | (0.14) |
| (3) Less: MAT Credit Entitlement | | | | |
| **VII. Profit (Loss) for the period (V-VI)** | **290.28** | **59.57** | **34.08** | **16.34** |

**ANNEXURE 3 RESTATED STATEMENT OF CASH FLOWS** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | | For the year ended 31st March, 2022 | | For the year ended 31st March, 2021 | | For the year ended 31st March, 2020 | |
|---|---|---|---|---|---|---|---|---|
| **Cash flow from Operating Activities** | | | | | | | | |
| **Net Profit Before tax as per Statement of Profit & Loss** | | 404.63 | | 80.62 | | 47.58 | | 22.59 |
| Adjustments for: | | | | | | | | |
| Depreciation & Amortisation Exp. | 19.18 | | 9.88 | | 12.98 | | 5.58 | |
| Interest Income | - | | - | | - | | - | |
| Prior Period Items | - | | - | | - | | 0.001 | |
| Interest Income | - | | - | | - | | - | |
| Finance Cost | 23.86 | 43.04 | 1.38 | 11.26 | 8.03 | 21.01 | 3.00 | 8.59 |
| **Operating Profit before working capital changes** | | 447.67 | | 91.88 | | 68.60 | | 31.18 |
| **Changes in Working Capital** | | | | | | | | |
| Trade receivable | 775.02 | | (1,168.87) | | (495.65) | | (168.81) | |
| Other Loans and advances receivable | (35.25) | | (88.76) | | 3.47 | | (170.65) | |
| Inventories | (879.72) | | (543.47) | | (318.60) | | (261.08) | |
| Other Current Assets | - | | - | | 1.53 | | (1.53) | |
| Trade Payables | (860.04) | | 1,615.66 | | 535.74 | | 287.99 | |
| Other Current Liabilites | 163.52 | | (28.67) | | 11.74 | | 3.08 | |
| Current Investment | - | | - | | - | | - | |
| Short term Provisions | 98.26 | | 11.86 | | 7.02 | | 0.93 | |
| | | (738.21) | | (202.25) | | (254.76) | | (310.07) |
| **Net Cash Flow from Operation** | | (290.54) | | (110.36) | | (186.16) | | (278.89) |
| Less : Income Tax paid | | 116.58 | | 21.78 | | 14.24 | | 6.40 |
| **Net Cash Flow from Operating Activities (A)** | | (407.12) | | (132.15) | | (200.41) | | (285.28) |
| **Cash flow from investing Activities** | | | | | | | | |
| Purchase of Fixed Assets | (49.49) | | (37.30) | | (5.26) | | (40.50) | |
| Sale of Fixed Assets | - | | - | | - | | - | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Other Non-Current Assets (Net) | (5.38) | | (3.21) | | (1.97) | | 47.00 | |
| Other Non-Current Liabilities (Net) | (21.86) | | 10.24 | | 199.10 | | 153 | |
| Purchase/Sale of Investment | - | | - | | - | | - | |
| Interest Income | - | | - | | - | | - | |
| | | (76.72) | | (30.26) | | 191.86 | | 159.49 |
| **Net Cash Flow from Investing Activities (B)** | | (76.72) | | (30.26) | | 191.86 | | 159.49 |
| **Cash Flow From Financing Activities** | | | | | | | | |
| Proceeds From long Term Borrowing (Net) | (157.56) | | - | | - | | (3) | |
| Short Term Borrowing (Net) | (44.64) | | 172.06 | | 7.94 | | 76.48 | |
| Interest Paid | (23.86) | | (1.38) | | (8.03) | | (3) | |
| Issue of Share | 451.5 | 540.56 | - | 170.68 | - | (0.09) | - | 70.48 |
| **Net Cash Flow from Financing Activities (C)** | | 540.56 | | 170.68 | | (0.09) | | 70.48 |
| **Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)** | | **56.72** | | **8.27** | | **(8.64)** | | **(55.31)** |
| Opening Cash & Cash Equivalents | | 10.35 | | 2.08 | | 10.71 | | 66.03 |
| **Cash and cash equivalents at the end of the period** | | **67.07** | | **10.35** | | **2.08** | | **10.71** |
| **Cash And Cash Equivalents Comprise:** | | | | | | | | |
| Cash | | 8.48 | | 0.84 | | 0.20 | | 9.15 |
| **Bank Balance:** | | | | | | | | |
| Current Account | | 58.59 | | 9.51 | | 1.88 | | 1.57 |
| Deposit Account | | - | | - | | - | | - |
| **Total** | | **67.07** | | **10.35** | | **2.08** | | **10.71** |

**Note: - 1 Significant accounting policies:**

**1.0 Corporate Information**

**BIZOTIC COMMERCIAL LIMITED** is a Limited Company, incorporated under the provisions of Companies Act, 2013 and having CIN: U74999GJ2016PLC094934. The Company is mainly engaged in the business of Manufacturing and trading of garment products, fabric offline as well as online including trims and jobwork in fabric etc. The Registered office of the Company is situated at 17, D-8 Samet Business Park, Nr. Khokra Circle, Khokra Ahmedabad Gujarat 380008

**1.1 Basis of preparation of financial statements**

**a. Accounting Convention: -**

These financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the Historical Cost Convention. and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.

The restated financial information has been prepared for inclusion in the Draft Prospectus and Prospectus ("DP" or "P" "offer document") to be filed by the Company with the Securities and Exchange Board of India ('SEBI'), Stock Exchange (SE) and other regulatory bodies in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares (the "Issue"), in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated financial information has been compiled from:

- The audited financial statement of the Company as at December 31, 2022 which have been approved by the Board of Directors at their meeting held on 05h February, 2023.
- The audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors at their meeting held on 5th September, 2022.
- The audited financial statement of the Company as at March 31, 2021 which have been approved by the Board of Directors at their meeting held on 30th November, 2021.
- The audited financial statement of the Company as at March 31, 2020 which have been approved by the Board of Directors at their meeting held on 05th December, 2020.
- The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**b. Functional and Presentation Currency:**

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees.

All amounts disclosed in the financial statements and notes are rounded off to lakhs the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated.

Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

**c. Use of Estimates and Judgments**

The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments, and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change form period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods affected.

**d. Current and Non - Current Classification**

An asset or a liability is classified as Current when it satisfies any of the following criteria:

i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;

ii. It is held primarily for the purpose of being traded.

iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;

iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

**1.2 Basis of Preparation**

**a) Property, Plant & Equipment and Intangible Assets: -**

**i.** The company has adopted Cost Model to measure the gross carrying amount of Property Plant & Equipment.

**ii.** Tangible Property Plant & Equipment are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.

**iii.** Intangible assets are stated at the consideration paid for acquisition and customization thereof less accumulated amortization.

**iv.** Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress.

**v.** Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets

under Development.

**b) Depreciation / Amortization: -**

Depreciation has been provided under Written-down Value Method at the rates prescribed under schedule III of the Companies Act, 2013 on single shift and Pro Rata Basis to result in a more appropriate preparation or presentation of the financial statements.

In respect of assets added/sold during the year, pro-rata depreciation has been provided at the rates prescribed under Schedule II.

Intangible assets being Software are amortized over a period of its useful life on a straight-line basis, commencing from date the assets is available to the company for its use.

**c) Impairment of Assets: -**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been a change in the estimate of the recoverable amount.

**d) Investments: -**

- Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

- On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident. There are no investment made by Company.

- Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value of long term investments is made to recognise a decline, other than temporary, on an individual investment basis.

- Current investments are carried in the financial statements at lower of cost and market value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

- Long term investments which are expected to be realized within twelve months from the balance sheet date are presented under 'current investments' as 'current portion of long term investments' in accordance with the current / noncurrent classification of investments as per Schedule III Division I of the Companies Act, 2013.

- The cost of investments comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

- Investment transactions are accounted for on a trade date basis. In determining the holding cost of investments and the gain or loss on sale of investments, the 'weighted average cost' method is followed.

**e) Government Grants and Subsidies: -**

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relate, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.

- Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

**f) Retirement Benefits: -**

**a) Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognized in the period in which the employee renders the related service.

**b) Employment Benefits:**

**i) Defined Contribution Plans:**

The company has Defined Contribution Plans for post-employment benefit in the form of Provident Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**ii) Defined Benefit Plans:**

**a) Gratuity:**

The Management has decided to gratuity will be accounted in profit & loss A/c in each financial year when the claim is recognized by the company which is against the prescribed treatment of AS -15. The Quantum of provision required to be made for the said retirements benefits can be decided on actuarial basis and the said information could not be gathered. To the extent of such amount, the reserve would be lesser.

**b) Leave Encashment:**

The Management has decided to pay all the pending leave of the year for the year in which the same has become payable and pending dues are cleared.

**g) Valuation of Inventory: -**

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and stock in trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

Cost of inventories included the cost incurred in bringing each product to its present location and conditions are accounted as follows:

**Stock in Trade**: - Cost included the purchase price and other direct or indirect costs incurred in bringing the inventories to their present location and conditions. Cost is determined on "W*eighted Average Basis"*.

All other inventories of stores and spares, consumables, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value.

"Net Realizable Value" is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

**h) Prior Period Items: -**

All identifiable items or income and expenditure pertaining to prior period are accounted through 'Prior Period Income/ Expenses Account'.

**i) Revenue Recognition: -**

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

**Sale of goods** is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat, GST and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis.

**Interest Income** is Recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

**Dividend** from investments in shares / units is recognized when the company.

As per a recent ICAI opinion, the benefit of DEPB is recognized in the year of export itself, provided no uncertainty exists,

Other items of Income are accounted as and when the right to receive arises.

**j) Accounting for effects of changes in foreign exchange rates: -**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transactions.

Any income or expenses on account of exchange difference either on settlement or on Balance Sheet Valuation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

Foreign currency transactions accounts are given in the notes of accounts.

Commodity Hedging: - The realized gain or loss in respect of commodity hedging contracts, the principal period of which has expired during the year, is recognized in profit and loss account. In respect of contracts, that are outstanding as on date of Balance sheet are valued at prevailing market price and the resultant loss, if any, is provided.

**k) Borrowing Cost: -**

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 "Borrowing Costs". Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs and are capitalized as a part of cost of such property, plants and equipments if they are directly attributable to their acquisition or charged to the Standalone Statement or Profit and Loss.

**l) Related Party Disclosure: -**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.

**m) Accounting for Leases: -**

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

**a) Operating Lease: -** Rental payable under the operating lease are charged to the Standalone Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

**b) Finance Lease: -** Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

**n) Cash flow: -**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

**o) Earnings Per Share: -**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

**p) Taxes on Income: -**

- **Current Tax: -**
  Provision for current tax is made after taken into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

- **Deferred Taxes: -**
  Deferred Income Tax is provided using the liability method on all temporary difference at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial

reporting purposes.

I. Deferred Tax Assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available in the future against which this item can be utilized.

II. Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates (and the tax) that have been enacted or enacted subsequent to the balance sheet date.

**q) Discontinuing Operations: -**

During the year the company has not discontinued any of its operations.

**r) Provisions Contingent liabilities and contingent assets: -**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measures reliable, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the standalone financial statements.

**s) Event after Reporting Date: -**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the restated financial statement of the Company by the board of directors, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

**ANNEXURE 5 SHARE CAPITAL** **(Rs. In Lakhs)**

| Share Capital | As At 31st December, 2022 | | As At 31st March, 2022 | | As At 31st March, 2021 | | As At 31st March, 2020 | |
|---|---|---|---|---|---|---|---|---|
| | Number | Amt. Rs. In Lakhs | Number | Amt. Rs. In Lakhs | Number | Amt. Rs. In Lakhs | Number | Amt. Rs. In Lakhs |
| **Authorised** | | | | | | | | |
| Equity Shares of Rs.10 each | 9,000,000.00 | 900.00 | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |
| **Issued** | - | | - | | - | | - | |
| Equity Shares of Rs.10 each | 5,628,000.00 | 562.8 | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |
| **Subscribed & Paid up** | - | | - | | - | | - | |
| Equity Shares of Rs.10 each fully paid up | 5,628,000.00 | 562.8 | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |
| Total | 5,628,000.00 | 562.8 | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |

**RECONCILIATION OF NUMBER OF SHARES** **(Rs. In Lakhs)**

| Particulars | Equity Shares | | Equity Shares | | Equity Shares | | Equity Shares | |
|---|---|---|---|---|---|---|---|---|
| | Number | Amt. Rs. In Lakhs | Number | Amt. Rs. In Lakhs | Number | Amt. Rs. In Lakhs | Number | Amt. Rs. In Lakhs |
| Shares outstanding at the beginning of the year | 10,000.00 | 1.00 | 10,000.00 | 1.00 | 10,000.00 | 1.00 | 10,000.00 | 1.00 |
| Shares Issued during the year | 2,58,000.00 | 25.80 | - | - | - | - | - | - |
| Bonus Share Allotted | 53,60,000.00 | 536.00 | - | - | - | - | - | - |
| Shares bought back during the year | - | - | - | - | - | - | - | - |
| Shares outstanding at the end of the year | 56,28,000.00 | 562.80 | 10,000.00 | 1.00 | 10,000.00 | 1.00 | 10,000.00 | 1.00 |

The Company has only one class of equity shares having a per value of Rs. 10/- Per Share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares by the shareholders.

**Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.** **(Rs. In Lakhs)**

| Name of Shareholder | As At 31st December, 2022 | | As At 31st March, 2022 | | As At 31st March, 2021 | | As At 31st March, 2020 | |
|---|---|---|---|---|---|---|---|---|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Sangita Aggarwala | 5625800.00 | 99.96% | 9900.00 | 99.00% | 9900.00 | 99.00% | 9900.00 | 99.00% |

**ANNEXURE 6 RESERVE AND SURPLUS** **(Rs. In Lakhs)**

| Particulars | As At 31st December, 2022 | As At 31st March, 2022 | As At 31st March, 2021 | As At 31st March, 2020 |
|---|---|---|---|---|
| **A. Securities Premium Account** | | | | |
| Opening Balance | - | - | - | - |
| Add: Credited on Share issue | 425.70 | - | - | - |
| Less: For Issuing Bonus Shares | 425.70 | - | - | - |
| Closing Balance | - | - | - | - |
| **B. Surplus** | | | | |
| Opening balance | 122.74 | 62.60 | 28.52 | 12.18 |
| (+) Net Profit/(Net Loss) For the current year | 290.28 | 59.57 | 34.08 | 16.34 |
| (-) For Issue of Bonus Shares | 110.30 | - | - | - |
| Closing Balance | **302.72** | **122.17** | **62.60** | **28.52** |
| **Total** | **302.72** | **122.17** | **62.60** | **28.52** |

**ANNEXURE 7 LONG TERM BORROWINGS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Secured** | | | | |
| **(a) Term loans** | | | | |
| **From Financial Institutions** | | | | |
| Axis Bank | 19.48 | - | - | - |
| Indusind Bank | 4.74 | | | |
| **(b) Other Loans and advances** | - | - | - | - |
| Sub-total (a) | **24.22** | **-** | **-** | **-** |
| **Unsecured** | | | | |
| **(a) Term loans** | | | | |
| **From Financial Institutions** | | | | |
| Bajaj Finance Limited | 21.76 | - | - | - |
| Fulltron India Limited | 6.08 | - | - | - |
| HDFC Business Loan | 33.86 | - | - | - |
| Hero Fincorp Loan | 8.58 | - | - | - |
| ICICI Bank | 13.36 | - | - | - |
| Indusind Bank | 19.53 | - | - | - |
| Mahindra & Mahindra | 16.96 | - | - | - |
| UGRO Loan | 13.21 | - | - | - |
| | | | | |
| **(b)From Promoters/ Promoters Group/ Group Companies/Directors & their Relatives** | - | - | - | |
| Sub-total (b) | 133.34 | - | - | - |
| **Total** | **157.56** | **-** | **-** | **-** |

**ANNEXURE 7.1 NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS**

**(In Lakhs)**

| Sr. No. | Lender | Nature of facility | Date of Sanction of Loan | Amount outstanding as at December 31, 2022 | Rate of interest (%) | Repayment terms | Security/Principal terms and conditions |
|---|---|---|---|---|---|---|---|
| 1 | Axis Bank | Term Loan | 26-Aug-2022 | 26.37 | 9.16% | Payable in 48 monthly instalments of Rs. 71,114/- commencing from 10.09.2022 | First paripasu by way of equitable mortgage of Ultra Auto Vehicle- Innova. |
| 2 | IndusInd Bank | Term Loan | 7-Jul-2022 | 5.88 | 10.40% | Payable in 59 monthly instalments of Rs. 13615/- commencing from 14.08.2022 | First paripasu by way of equitable mortgage of Ultra Auto Vehicle- TATA ACE. |
| 3 | Bajaj Finserv | Term Loan | 26-Apr-2022 | 27.23 | 16.00% | Payable in 48 monthly instalments of Rs. 86,389/- commencing from 02.06.2022 | Company Taken Loan for regular business purpose. |
| 4 | Fullerton India | Term Loan | 17-Jun-2022 | 10.53 | 18.50% | Payable in 37 monthly instalments of Rs. 44,110/- commencing from 04.07.2022 | Company Taken Loan for regular business purpose. |
| 5 | HDFC Bank | Term Loan | 23-Apr-2022 | 44.64 | 15.00% | Payable in 48 monthly instalments of Rs. 1,39,819/- commencing from 06.06.2022 | Company Taken Loan for regular business purpose. |
| 6 | Hero FinCorp | Term Loan | 16-May-2022 | 13.15 | 18.00% | Payable in 36 monthly instalments of Rs. 54,771/- commencing from 03.07.2022 | Company Taken Loan for regular business purpose. |
| 7 | ICICI Bank | Term Loan | 29-Apr-2022 | 21.12 | 16.10% | Payable in 36 monthly instalments of Rs. 54,771/- commencing from 05.06.2022 | Company Taken Loan for regular business purpose. |
| 8 | IndusInd Bank | Term Loan | 16-Dec-2022 | 30.00 | 17.50% | Payable in 30 monthly instalments of Rs. 1,24,181/- commencing from 04.01.2023 | Company Taken Loan for regular business purpose. |
| 9 | Mahindra And Mahindra Financial Services Limited | Term Loan | 26-Aug-2022 | 23.53 | 19.36% | Payable in 36 monthly instalments of Rs. 92,101/- commencing from 10.10.2022 | Company Taken Loan for regular business purpose. |
| 10 | URGO | Term Loan | 31-Aug-2022 | | 19.00% | Payable in 36 monthly instalments of Rs. | Company Taken Loan for |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Capital | | | 19.01 | | 74,411/- commencing from 03.10.2022 | regular business purpose. |

**Notes:**

(i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company.

(ii) The rate of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters.

(iii) The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in short term Borrowing.

**ANNEXURE 8 OTHER LONG TERM LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| Deposits from Customers/ Franchise | 340.48 | 362.34 | 352.10 | 153.00 |
| **Total** | **340.48** | **362.34** | **352.10** | **153.00** |

**ANNEXURE 9 SHORT TERM BORROWINGS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Secured** | | | | |
| **(a) Loan Payable on Demand** | **-** | **-** | - | - |
| **from banks** | | | | |
| | | | | |
| **(b) Current maturities of Long-Term Debt** | | | | |
| **(i.e. Term Liability classified as current)** | | | | |
| Axis Bank | 6.89 | - | - | - |
| Indusind Bank | 1.14 | - | - | - |
| | **8.03** | **-** | **-** | **-** |
| **Unsecured** | | | | |
| **(a) From Financial Institutions** | | | | |
| Bajaj Finance Limited | 5.47 | - | - | - |
| Fulltron India Limited | 4.45 | - | - | - |
| HDFC Business Loan | 10.78 | - | - | - |
| Hero Fincorp Loan | 4.57 | - | - | - |
| ICICI Bank | 7.76 | - | - | - |
| Indusind Bank | 10.47 | - | - | - |
| Mahindra & Mahindra | 6.57 | - | - | - |
| UGRO Loan | 5.81 | - | - | - |
| **(b) From Promoters/ Promoters Group/ Group Companies/Directors & their Relatives** | 146.86 | 106.94 | 10.29 | 2.48 |
| **(c) Loans and advances from others** | 1.06 | 149.54 | 74.13 | 74.00 |
| **Total** | **211.83** | **256.48** | **84.42** | **76.48** |

**ANNEXURE 10 TRADE PAYABLES** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Outstanding dues of micro enterprises and small enterprises** | - | - | - | - |
| **Outstanding for Following Period from Due date** | | | | |
| Less than 01 Years | - | - | - | - |
| **Outstanding dues of creditors other than micro enterprises and small enterprises** | | | | |
| **Unbilled** | - | - | - | - |
| **Not Due** | 1549.67 | 1162.36 | 485.64 | 570.96 |
| **Outstanding for Following Period from Due date** | | | | |

| | | | | |
|---|---|---|---|---|
| Less than 01 Years | 138.61 | 1351.55 | 431.66 | 180.96 |
| 01-02 Years | 35.12 | 55.55 | 365.85 | - |
| 02-03 Years | 146.89 | 194.54 | - | 26.18 |
| More than 3 Years | 193.68 | 160.99 | 26.18 | - |
| **Disputed Outstanding dues of micro enterprises and small enterprises** | - | - | - | - |
| **Disputed Outstanding dues of creditors other than micro enterprises and small enterprises** | - | - | - | - |
| **Outstanding for Following Period from Due date** | | | | |
| Less than 01 Years | 0.99 | 1.69 | 5.47 | 2.50 |
| 01-02 Years | 1.69 | 3.78 | 1.54 | - |
| 02-03 Years | 3.78 | 1.54 | - | 1.11 |
| More than 3 Years | 2.66 | 1.11 | 1.11 | - |
| **Total** | **2073.08** | **2933.12** | **1317.46** | **781.71** |

**ANNEXURE 11 OTHER CURRENT LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| (i) Statutory Remittance | | | | |
| (i) PF Payable | - | - | - | - |
| (ii) ESCI Pabable | - | - | - | - |
| (iii) GST Payable | - | - | - | 0.06 |
| (iv) TDS Payable | 13.74 | 21.81 | 6.63 | 2.03 |
| (ii) Advanced from Customers | 180.24 | 10.70 | 50.74 | 50.74 |
| (iii)Deposits from Customers/ Stores | - | - | - | - |
| (iv)Other Payables (Specify Nature) | | | | |
| Unpaid Expenses | - | 0.80 | 0.58 | 0.38 |
| Salary payable | 6.93 | 4.08 | 8.13 | 1.12 |
| **Total** | **200.92** | **37.40** | **66.07** | **54.33** |

**ANNEXURE 12 SHORT TERM PROVISIONS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Provision For** | | | | |
| **(a) Employee benefits** | | | | |
| **(i) Contribution to PF** | - | - | - | - |
| (ii) Contribution to ESIC | - | - | - | - |
| (iii) Bonus | - | - | - | - |
| (iv) Leave Encashment & Gratuity | - | - | - | - |
| (v) Professional tax Payable | - | - | - | - |
| **(b) Others (Specify nature)** | | | | |
| (i) Income Tax | 122.90 | 25.27 | 13.71 | 6.40 |
| (ii) Provision for Audit Fees | 0.65 | 0.60 | 0.30 | 0.60 |
| **Total** | **123.55** | **25.87** | **14.01** | **7.00** |

**ANNEXURE 14 OTHER NON-CURRENT ASSESTS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| (a) Deposits | 14.44 | 9.06 | 5.85 | 3.88 |
| **Total** | 14.44 | **9.06** | **5.85** | **3.88** |

**ANNEXURE 13 PROPERTY, PLANT AND EQUIPMENT** **(Rs. In Lakhs)**

| Fixed Assets | Gross Block | | | | Accumulated Depreciation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1st April 2019 | Additions | Deductions/ Adjustments | Balance as at 31st March 2020 | Balance as at 1st April 2019 | Amount Charged to Reserves Due to Adj of Dep as per Companies Act 2013 | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31st March 2020 | Balance as at 31st March 2020 | Balance as at 31st March 2019 |
| **Tangible Assets** | | | | | | | | | | | |
| Plant and Equipment | - | 0.78 | - | 0.78 | - | - | 0.06 | - | 0.06 | 0.72 | - |
| Computer & Software | - | 2.43 | - | 2.42 | - | - | 0.38 | - | 0.37 | 2.05 | - |
| Furniture & Fixtures | 2.46 | 0.70 | - | 3.16 | 0.04 | 0.00 | 0.72 | - | 0.76 | 2.40 | 2.42 |
| Motor Car | - | 35.29 | - | 35.29 | - | - | 4.29 | - | 4.28 | 31.00 | - |
| **Intangible Assets** | | | | | | | | | | | |
| Trademark | - | 1.3 | - | 1.3 | - | - | 0.13 | - | 013 | 1.17 | - |
| **Total** | **2.45** | **40.50** | **-** | **42.96** | **0.04** | **-** | **5.58** | **-** | **5.62** | **37.34** | **2.42** |

| Fixed Assets | Gross Block | | | | Accumulated Depreciation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1st April 2020 | Additions | Deductions/ Adjustments | Balance as at 31st March 2021 | Balance as at 1st April 2020 | Amount Charged to Reserves (Refer Note Below) | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31st March 2021 | Balance as at 31st March 2021 | Balance as at 31st March 2020 |
| **Tangible Assets** | | | | | | | | | | | |
| Plant and Equipment | 0.78 | 0.09 | - | 0.87 | 0.06 | - | 0.14 | - | 0.20 | 0.67 | 0.72 |
| Computer & Software | 2.43 | 1.15 | - | 3.57 | 0.38 | - | 1.64 | - | 2.02 | 1.55 | 2.05 |
| Furniture & Fixtures | 3.16 | 0.26 | - | 3.42 | 0.76 | - | 0.64 | - | 1.40 | 2.02 | 2.40 |
| Motor Car | 35.29 | - | - | 35.29 | 4.28 | - | 9.68 | - | 13.97 | 21.32 | 31.00 |
| **Intangible Assets** | | | | | | | | | | | |
| Software | - | 3.78 | - | 3.78 | - | - | 0.76 | - | 0.76 | 3.02 | - |
| Trademark | 1.3 | - | - | 1.3 | 0.13 | - | 0.13 | - | 0.26 | 1.04 | 1.17 |
| **Total** | **42.96** | **5.26** | **-** | **48.22** | **5.62** | | **12.98** | **-** | **18.60** | **29.62** | **37.34** |

| Fixed Assets | Gross Block | Accumulated Depreciation | Net Block |
|---|---|---|---|

| | Balance as at 1st April 2021 | Additions | Deductions/ Adjustments | Balance as at 31st March 2022 | Balance as at 1st April 2021 | Amount Charged to Reserves (Refer Note Below) | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31st March 2022 | Balance as at 31st March 2022 | Balance as at 31st March 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Tangible Assets** | | | | | | | | | | | |
| Plant and Equipment | 0.87 | 2.82 | - | 3.69 | 0.20 | - | 0.15 | - | 0.35 | 3.33 | 0.67 |
| Computer & Software | 3.57 | 0.27 | - | 3.84 | 2.02 | - | 1.24 | - | 3.26 | 0.59 | 1.55 |
| Furniture & Fixtures | 3.42 | 34.20 | - | 37.62 | 1.40 | - | 0.94 | - | 2.34 | 35.28 | 2.02 |
| Motor Car | 35.29 | - | - | 35.29 | 13.97 | - | 6.66 | | 20.63 | 14.66 | 21.32 |
| **Intangible Assets** | | | | | | | | | | | |
| Software | 3.78 | - | - | 3.78 | 0.76 | - | 0.76 | - | 1.51 | 2.27 | 3.02 |
| Trademark | 1.3 | - | - | 1.3 | 0.26 | - | 0.13 | - | 0.39 | 0.91 | 1.04 |
| **Total** | **48.22** | **37.30** | **-** | **85.52** | **18.60** | **-** | **9.88** | **-** | **28.48** | **57.04** | **29.62** |

| Fixed Assets | Gross Block | | | | Accumulated Depreciation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 1st April 2022 | Additions | Deductions / Adjustments | Balance as at 31st December 2022 | Balance as at 1st April 2022 | Amount Charged to Reserves (Refer Note Below) | Depreciation charge for the year | Deductions / Adjustments | Balance as at 31st December 2022 | Balance as at 31st December 2022 | Balance as at 31st March 2022 |
| **Tangible Assets** | | | | | | | | | | | |
| Plant and Equipment | 3.69 | 3.30 | - | 6.99 | 0.35 | - | 0.71 | - | 1.06 | 5.93 | 3.33 |
| Computer & Software | 3.84 | 1.48 | - | 5.32 | 3.26 | - | 0.32 | - | 3.57 | 1.75 | 0.59 |
| Furniture & Fixtures | 37.62 | 7.37 | - | 44.99 | 2.34 | - | 7.74 | - | 10.08 | 34.90 | 35.27 |
| Motor Car | 35.29 | 37.33 | - | 72.62 | 20.62 | - | 9.53 | - | 30.16 | 42.47 | 14.66 |
| **Intangible Assets** | | | | | | | | | | | |
| Software | 3.77 | - | - | 3.78 | 1.51 | - | 0.75 | - | 2.26 | 1.51 | 2.27 |
| Trademark | 1.3 | - | - | 1.30 | 0.39 | - | 0.13 | - | 0.52 | 0.78 | 0.91 |
| **Total** | **85.52** | **49.49** | **-** | **15.01** | **28.48** | **-** | **19.18** | **-** | **47.66** | **87.34** | **57.04** |

**ANNEXURE 15 INVENTORIES** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| Stock-In-Trade (Valued at Lower of Cost or NRV as per FIFO Method) | 2163.40 | 1283.68 | 740.21 | 421.61 |
| **Total** | **2163.40** | **1283.68** | **740.21** | **421.61** |

**ANNEXURE 16 TRADE RECEIVABLES** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Undisputed Trade Receivable - Considered good** | | | | |
| **Not Due** | | | | |
| **Outstanding for Following Period from Due date** | | | | |
| Less than 6 Months | 1178.02 | 1678.69 | 673.52 | 388.53 |
| 6 Months - 1 Years | 0.26 | 83.19 | 265.13 | 67.13 |
| 01-02 Years | 57.47 | 148.06 | - | - |
| 02-03 Years | 29.33 | 153.70 | 0.09 | - |
| More than 3 Years | 62.27 | 38.73 | - | - |
| **Undisputed Trade Receivable - Cosidered doubful** | - | - | - | - |
| **Not Due** | | | | |
| **Outstanding for Following Period from Due date** | | | | |
| Less than 6 Months | - | 1.14 | 0.55 | - |
| 6 Months - 1 Years | - | 0.55 | 1.05 | - |
| 01-02 Years | 1.69 | 1.05 | 1.46 | - |
| 02-03 Years | 1.05 | 1.46 | - | - |
| More than 3 Years | 1.46 | - | - | - |
| **Disputed Trade Receivable - Cosidered good** | - | - | - | - |
| **Disputed Trade Receivable - Cosidered Doubtful** | | | | |
| **Not Due** | - | - | - | - |
| **Outstanding for Following Period from Due date** | | | | |
| Less than 6 Months | - | 2.01 | 7.87 | - |
| 6 Months - 1 Years | - | 7.87 | 1.47 | - |
| 01-02 Years | 9.89 | 1.47 | - | - |
| 02-03 Years | 1.47 | 2.27 | - | - |
| More than 3 Years | 2.27 | - | 0.19 | - |
| **Total** | **1,345.18** | **2120.20** | **951.32** | **455.66** |

**ANNEXURE 17 CASH AND CASH EQUIVALENTS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| a. Cash on Hand | 8.48 | 0.84 | 0.20 | 9.15 |
| **b. Balance with Banks** | | | | |
| (i) in Current Accounts | 58.59 | 9.51 | 1.88 | 1.57 |
| (i) in OD Account | - | - | - | - |
| **Other** | | | | |
| Margin money having more than 3 Months Initial maturity but less than 12 months | - | - | - | - |
| Margin money having more than 12 Months Initial maturity | - | - | - | - |
| **Total** | **67.07** | **10.35** | **2.08** | **10.71** |

**ANNEXURE 18 SHORT TERM LOANS AND ADVANCES** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| (Unsecured and Considered Good) | | | | |
| **a. Loans and advances to Directors/ Promoters/ Promoter Group/ Associates/ Relatives of Directors/Group Company** | - | 16.50 | 16.19 | 7.88 |
| **b.Balance with Government Authorities** | 107.72 | 88.54 | 54.55 | 21.22 |
| **c. Others (specify nature)** | | | | |
| Advance to Suppliers | 176.51 | 136.99 | 51.56 | 108.55 |
| Loans & Advances to Employees | 7.47 | - | 11.79 | 1.07 |
| Others | - | 14.41 | 33.60 | 32.43 |
| **Total** | **291.70** | **256.45** | **167.69** | **171.16** |

**ANNEXURE 19 OTHER CURRENT ASSETS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **(a) Deposits** | - | - | - | - |
| **(b) Prepaid Expenses** | - | - | - | 1.53 |
| **(d) Accruals** | | | | |
| Interest accrued on deposits | - | - | - | - |
| **(c) Others** | | | | |
| Deffered Revenue Exp. | | | | |
| **Total** | **-** | **-** | **-** | **1.53** |

**ANNEXURE 20 CONTINGENT LIABILITIES AND COMMITMENTS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| (a) Contingent Liabilities | | | | |
| a. Claims against the company not acknowledged as debts | - | - | - | - |
| b. Guarantees | | | | |
| c. Other Money for which the company is contingently liable | | | | |
| **(b) Commitments** | | | | |
| Total | - | - | - | - |

**ANNEXURE 21 REVENUE FROM OPERATIONS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| Sale of Products | 3,748.26 | 5,336.21 | 1,674.16 | 1,113.44 |
| Other Operating Revenues | - | 5.18 | 5.79 | 0.20 |
| **Total** | **3,748.26** | **5,341.39** | **1,679.95** | **1,113.64** |

**ANNEXURE 21.1 PARTICULARS OF SALE OF PRODUCTS** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Sale of Products** | | | | |
| **Traded Goods** | | | | |
| Fabric Sale | 2,763.27 | 3,854.73 | 625.91 | 325.41 |
| Garment Sale | 984.99 | 1481.48 | 1048.25 | 788.03 |
| **Sub-total** | **3,748.26** | **5,336.21** | **1674.16** | **1113.44** |
| **Other Operating Revenues** | | | | |
| Jobwork Income | - | 3.76 | 0.69 | 0.20 |

| | | | | |
|---|---|---|---|---|
| Software support Service Income franchises | - | 1.42 | 2.12 | - |
| Refinshing Charges Collected | - | - | 1.38 | - |
| Board & Branding Income from franchises | - | - | 1.60 | - |
| **Sub-total** | **-** | **5.18** | **5.79** | **0.20** |
| **Total** | **3,748.26** | **5,341.39** | **1,679.95** | **1,113.64** |

**ANNEXURE 22 OTHER INCOME** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| **Interest Income** | | | | |
| Interest on Fixed Deposits | - | - | - | - |
| Interest on IT Refund | - | - | - | - |
| Interest on others | - | - | - | - |
| **Other Income** | | | | |
| Kasar Vatav | 0.29 | 0.04 | 0.01 | 0.33 |
| Discount Income | 0.84 | - | - | - |
| Cartoon Box Sale | - | 0.02 | - | - |
| Other Income | 0.02 | 0.52 | 0.01 | - |
| **Total** | **1.15** | **0.58** | **0.02** | **0.33** |

**Annexure 22.1 Details of Other Income as Stated**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 | Nature |
|---|---|---|---|---|---|
| Other Income | 0.31 | 0.58 | 0.02 | 0.33 | |
| Net Profit Before Tax as Restated | 404.63 | 80.62 | 47.58 | 22.59 | |
| Percentage | 0% | 1% | 0% | 1% | |

**Source of Income**

| | | | | | |
|---|---|---|---|---|---|
| Kasar Vatav | 0.29 | 0.04 | 0.01 | 0.33 | Not recurring but related to business activity |
| Cartoon Box Sale | - | 0.02 | - | - | Not recurring but related to business activity |
| Other Income | 0.02 | 0.52 | 0.01 | - | Not recurring but related to business activity |
| **Total Other Income** | **0.31** | **0.58** | **0.02** | **0.33** | |

**ANNEXURE 23 PURCHASES OF STOCK-IN-TRADE** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| Purchase of Goods: | | | | |
| Fabric | 2,979.76 | 4,278.32 | 658.04 | 410.52 |
| Garment & Accessories | 868.17 | 1,052.36 | 1,050.58 | 723.04 |
| **Total** | **3,847.93** | **5,330.67** | **1708.61** | **1,133.56** |

**ANNEXURE 24 CHANGES IN INVENTORIES OF STOCK-IN-TRADE** **(Rs. In Lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **Inventories at the end of the year** | | | | |
| Stock In Trade | 2,163.40 | 1,283.68 | 740.21 | 421.61 |
| **Inventories at the beginning of the year** | | | | |
| Stock In Trade | 1,283.68 | 740.21 | 421.61 | 160.53 |
| **Net (Increase)/decrease** | **(879.72)** | **(543.47)** | **(318.60)** | **(261.08)** |

**ANNEXURE 25 EMPLOYEE BENEFITS EXPENSES** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| (a) Salaries and Wages | 84.72 | 87.37 | 26.80 | 28.08 |
| (b) Contributions to Provident Fund & Other Fund | | | | |
| Provident fund | - | - | - | - |
| ESIC | - | - | - | - |
| (c) Gratuity & Leave Encashment expenses | | - | - | - |
| (c) Staff welfare expenses | 5.59 | 3.33 | 0.57 | 0.38 |
| **Total** | **90.31** | **90.70** | **27.36** | **28.46** |

**ANNEXURE 26 FINANCE COST** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| (a) Interest expense: - | | | | |
| (i) Borrowings | 15.12 | - | 3.26 | - |
| (ii) on TDS | 1.68 | 0.64 | 0.30 | - |
| (iii) on Professional Tax | - | - | - | - |
| (iv) on Provident Fund | - | - | - | - |
| (v) on ESIC | | | - | - |
| (vi) on Late payment of Other Taxes | 0.04 | 0.12 | 0.77 | 0.69 |
| (b) Other borrowing costs | 7.02 | 0.62 | 3.70 | 2.31 |
| **Total** | **23.86** | **1.38** | **8.03** | **3.00** |

**ANNEXURE 27 DEPRECIATION AND AMORTISATION** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| Depreciation Exp | 19.18 | 9.88 | 12.98 | 5.58 |
| Amortization Exp | - | - | - | - |
| **Total** | **19.18** | **9.88** | **12.98** | **5.58** |

**ANNEXURE 28 OTHER EXPENSES** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| **Manufacturing Expenses** | | | | |
| Jobwork Expenses | 0.09 | 8.70 | 3.35 | 7.40 |
| Freight & Forwarding charges | 9.06 | 13.80 | 12.29 | 6.10 |
| | | | | |

| **Selling & Distrubution Expenses** | | | | |
|---|---|---|---|---|
| Revenue Aggregator Fees | 3.54 | 2.67 | 1.96 | - |
| Packing & Forwarding Goods Expenses | 0.08 | 0.19 | 0.03 | - |
| Discount on Sales | - | 48.42 | - | - |
| Commission Exp. | 101.70 | 149.24 | 111.75 | 99.21 |
| Sales Promotion | 0.31 | 4.06 | - | 3.14 |
| **Establishment Expenses** | | | | |
| Advertisement Expenses | 16.60 | 22.26 | 19.86 | 28.87 |
| Rates & Taxes | 5.13 | 0.06 | 0.28 | 0.09 |
| Repair & Maintanance Exp | 8.39 | 6.94 | 0.78 | 2.29 |
| Electrical Expenses | 4.77 | 3.45 | 0.68 | 1.20 |
| Legal Fees | 14.48 | 12.23 | 0.21 | 0.95 |
| Rent Exp. | 56.79 | 62.16 | 36.11 | 25.21 |
| Insurance Exp | 0.87 | 3.08 | 0.73 | 0.28 |
| Auditor Fees | 0.30 | 0.30 | 0.30 | 0.25 |
| Creation/Designing Exp | - | 0.30 | 0.30 | - |
| Stationery & Priting Exp. | 1.10 | 0.67 | 0.06 | 0.07 |
| Travelling Exp. | 10.31 | 9.84 | 1.58 | 4.57 |
| Office exp. | 2.71 | 7.36 | 2.44 | 1.70 |
| Courier & Postage Charges | - | 0.25 | 0.37 | 0.15 |
| Telephone and Internet Expenses | 0.91 | 0.39 | 0.37 | 0.19 |
| Prior Period Expense | - | - | - | 0.001 |
| Miscellaneous Expense | 6.08 | 15.83 | 0.57 | 0.17 |
| **Total** | **243.21** | **372.19** | **194.00** | **181.85** |

**Annexure 28.1 PAYMENT TO AUDITORS AS** **(Rs. In Lakhs)**

| Particulars | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| Payment to auditors | | | | |
| a. Statutory Audit fees | 0.30 | 0.30 | 0.30 | 0.25 |
| b. for taxation matters | - | - | - | - |
| c. for company law matters | - | - | - | - |
| d. for management services | - | - | - | - |
| e. for other services | - | - | - | - |
| f. for reimbursement of expenses | - | - | - | - |
| **Total** | **0.30** | **0.30** | **0.30** | **0.25** |

**Annexure 29 Statement of Deferred Tax Assets / Liabilities** **(Rs. In lakhs)**

| Particulars | As at 31st December, 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| WDV as per book | 87.34 | 57.04 | 29.62 | 37.34 |
| WDV as per IT | 101.09 | 63.19 | 32.99 | 37.87 |
| Time Difference | (13.75) | (6.16) | (3.36) | (0.53) |
| Disallowance u/s 43B | - | - | - | - |
| Brough forward Unabsorbed Loss & Depreciation | - | - | - | - |
| **Total** | **(13.75)** | **(6.16)** | **(3.36)** | **(0.53)** |
| **As per B/S (Liability/(Asset))** | **(3.82)** | **(1.60)** | **(0.87)** | **(0.14)** |
| **Transfer to P & L A/c (Loss/(Profit))** | **(2.22)** | **(0.73)** | **(0.74)** | **(0.14)** |

**ANNEXURE 30 RECONCILIATION OF RESTATED PROFIT** **(Rs. In Lakhs)**

| Adjustments for | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| Net profit/(Loss) after Tax as per Audited Profit & Loss Account | 290.43 | 62.91 | 33.59 | 14.07 |
| **Adjustments for:** | | | | |
| Income Tax Provision | 0.00 | (3.78) | (3.15) | 0.60 |
| Deferred Tax Liability / Asset Adjustment | (1.36) | 1.17 | (1.28) | (0.59) |
| Adjustment of Depreciation per companies act,2013 | 1.21 | (0.73) | 1.14 | 0.95 |
| Adjustment of Expenses Capitalised | - | - | 3.78 | 1.30 |
| Prior Year Dep Adj. | - | - | - | (0.00) |
| **Net Profit/ (Loss) After Tax as Restated** | **290.28** | **59.57** | **34.08** | **16.34** |

**Note:**

1. **Income Tax Provision**

   There is difference in taxation as per audited books and restated books as the taxation provision is calculated on restated profits.

2. **Deferred Tax Liability/ Asset Adjustment**

   In Audited Financial Statements, there was mistake in calculating Deferred Tax Asset/Liability which is rectified in Restated Financial Statements.

3. **Adjustment of Depreciation per Companies Act, 2013**

   In Audited Financial statement pro rate basis depreciation not charged due difference arise in restated financial statement.

4. **Depreciation Adjustment as per Companies Act, 2013**

   In Audited Financial statement depreciation on fixed assets are not charged in line with Companies Act, 2013, so same should be incorporated in restated financial statement.

5. **Adjustment of Expenses Capitalised**

   As expenses which are capital in nature are capitalised in restated financial statement.

6. **Prior Period Goodwill Amortization Adjustment**
   Due to change in depreciation in earlier years same shall be adjusted as prior period items.

7. **To Give Explanatory Notes regarding Adjustments**

   Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the latest audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

Due to changes in accounting policies and other adjustments as stated above, the Company has recalulated the Income-tax provision and MAT Credit Entitlement and Set-off thereof at the rate of normal Tax rate applicable at the end of relevant year and accordingly, their readjusted amounts have been provided in Tax Shelter.

**ANNEXURE 31 RELATED PARTY TRANSACTION**

**i) Names of related parties and description of relationship with the company**

A) Key managerial personnel and their relatives

**a.** Sanjay Gupta- Managing Director
**b.** Sangita Aggarawala- Promoter
**c.** Vedprakash Bhadarmal– Promoter's Relative
**d.** Annmol Agrgawala- Promoter's Relative
**e.** Indrapreet Kaur Gulati- Director and Chief Financial Officer
**f.** Amanjeet singh Gulati- Relative of Director
**g.** Mohit Agrawal HUF- Enterprise in which Director/Relative of Director is Interested
**h.** Mahavir Textile- Enterprise in which Director/Relative of Director is Interested

(Rs. In Lakhs)

| Name | | Nature of Transaction | Amount Outstanding as on 31.12.2022 Payable/ (Receivable) | Amount of Transaction Debited in 2022-23 | Amount of Transaction Credited in 2022-23 | Amount Outstanding as on 01.04.2022 Payable/ (Receivable) | Amount of Transaction Credited in 2021-22 | Amount Outstanding as on 31.03.22 Payable/ (Receivable) | Amount of Transaction Debited in 2021-22 | Amount outstanding as on 31.03.21 Payable/ (Receivable) | Amount Outstanding as on 01.04.2021 Payable/ (Receivable) | Amount of Transaction Credited in 2020-21 | Amount Outstanding as on 01.04.2020 ayable/ (Receivable) | Amount of Transaction Debited in 2020-21 | Amount Outstanding as on 31.03.20 Payable/ (Receivable) | Amount of Transaction Debited in 2019-20 | Amount of Transaction Credited in 2019-20 | Amount Outstanding as on 31.03.19 Payable/ Receivable) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sanjay Gupta | Director | Unsecured loan | 141.86 | 11.19 | 117.45 | 35.60 | 47.00 | 35.60 | 9.35 | (2.05) | (2.05) | 0.76 | 2.48 | 5.29 | 2.48 | 0.52 | - | 3.00 |
| | | Director Remunration | 0.00 | 20.68 | 20.68 | - | 12.00 | - | 12.00 | | - | - | - | - | - | - | - | |
| | | Share Capital paid | - | | | - | - | - | - | | - | - | - | - | - | - | - | |
| Mahavir Textile | Enterprise in which Director/Relative of Director is Intrested | Purchase/ Sales | 119.24 | - | 34.81 | 84.43 | 131.28 | 84.43 | 315.66 | 268.81 | 268.81 | 115.06 | 161.96 | 8.20 | 161.96 | 90.58 | 234.62 | 17.91 |
| Sangeeta Agrawal-Shareholder | Promoter | Unsecured loan | - | 1,026.27 | 954.93 | 71.34 | 64.05 | 71.34 | 3.00 | 10.29 | 10.29 | 17.50 | (7.21) | - | (7.21) | 19.59 | 26.28 | (13.90) |
| till 2016-17 Director | | Marketing Contract Exp. | | - | - | - | - | - | - | - | - | - | - | - | - | 1.05 | 1.05 | |
| | | Salary | | - | - | 0.00 | 3.25 | 0.00 | 0.15 | -3.10 | -3.10 | - | 0.87 | 3.98 | 0.87 | 4.66 | 4.32 | 1.22 |

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Vedprakash Bhadarmal | Promoter's Relative | Unsecured loan | - | - | 2.62 | (2.62) | - | (2.62) | - | -2.62 | (2.62) | - | - | 2.62 | - | - | - | - |
| | | Salary | | - | - | - | - | | - | - | - | - | 0.25 | 0.25 | 0.25 | 0.50 | 0.75 | - |
| Anmol Agrawal | Promoter's Relative | Unsecured loan | - | - | - | - | 0.98 | - | - | (0.98) | (0.98) | - | (0.67) | 0.31 | (0.67) | 10.07 | 31.01 | (21.61) |
| Indrapreetsingh Kaur Gulati | Director | Unsecured loan | - | 0.43 | 14.32 | (13.89) | 3.52 | (13.89) | 15.15 | (8.92) | (8.92) | 2.97 | - | 11.88 | - | - | - | - |
| Director from 2021-22 | | Rent Paid | 0.00 | 1.19 | 1.19 | - | - | | - | - | - | - | - | - | | - | - | |
| | | Director Remuneration | 0.23 | 14.69 | 14.92 | - | 15.00 | | 15.00 | 6.66 | 6.66 | 10.53 | - | 3.87 | | - | - | - |
| Amanjeet singh Gulati | Relative of Director | Unsecured loan | - | - | - | - | 4.89 | - | 3.27 | (1.62) | (1.62) | 2.15 | - | 3.77 | - | - | - | - |
| Mahavir Taxtile | Enterprise in which Director/Relative of Director is Intrested | Sale | (7.65) | 34.91 | 27.27 | - | | | | | | | | | | | | |
| Mohit Agrawal HUF | Enterprise in which Director/Relative of Director is Intrested | Unsecured Loan | 5.00 | - | 5.00 | - | | | | | | | | | | | | |

**ANNEXURE 32 SUMMARY OF ACCOUNTING RATIOS** **(Rs. In Lakhs)**

| Ratios | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| Restated PAT as per P& L Account | 290.28 | 59.57 | 34.08 | 16.34 |
| Weighted Average Number of Equity Shares at the end of the Year/Period (Pre-Bonus Issue) | 54,01,101 | 10,000 | 10,000 | 10,000 |
| Weighted Average Number of Equity Shares at the end of the Year/Period (Post Bonus Issue) | 54,01,101 | 10,000 | 10,000 | 10,000 |
| No. of equity shares at the end of the year/period (Pre-Bonus Issue) | 56,28,000 | 10,000 | 10,000 | 10,000 |
| No. of equity shares at the end of the year/period (Post Bonus Issue) | 56,28,000 | 53,70,000 | 53,70,000 | 53,70,000 |
| Net Worth | 865.52 | 123.17 | 63.60 | 29.52 |
| **Earnings Per Share** | | | | |
| Basic & Diluted EPS | 5.37 | 595.69 | 340.79 | 163.36 |
| Adjusted Basic & Diluted EPS | 5.37 | 1.11 | 0.63 | 0.30 |
| **Return on Net Worth (%)** | 33.54% | 48.36% | 53.59% | 55.34% |
| **Net Asset Value Per Share (Rs) (Pre-Bonus Issue)** | 15.38 | 1231.66 | 635.97 | 295.18 |
| **Net Asset Value Per Share (Rs) (Post Bonus Issue)** | 15.38 | 2.29 | 1.18 | 0.55 |
| Nominal Value per Equity share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 |

**Footnote**

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$$

Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$$

Net Asset Value per equity share (Rs.)

$$\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$$

2. The figures for the period ended December 31, 2022 are not annualised.
3. Bonus Issue of shares are made on 06/12/2022 the effect of which has been incorporated in the restatements while calculating the above accounting Ratios.

**ANNEXURE 33 STATEMENT OF TAX SHELTERS** **(Rs. In Lakhs)**

| | For the period ended 31st December, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2022 | For the year ended 31st March, 2020 |
|---|---|---|---|---|
| Profit before tax as per books (A) | 404.63 | 80.62 | 47.58 | 22.59 |
| Normal Corporate Tax Rate (%) | 27.82% | 26.00% | 26.00% | 26.00% |
| Normal Corporate Tax Rate (Other Source) (%) | 27.82% | 26.00% | 26.00% | 26.00% |
| MAT Rates | 16.69% | 15.60% | 15.60% | 15.60% |
| Tax at notional rate of profits | 112.57 | 20.96 | 12.37 | 5.87 |
| **Adjustments:** | | | | |
| **Permanent Differences(B)** | | | | |
| Expenses disallowed/Income disallowed under Income Tax Act, 1961 | | | | |
| Interest on late payment of taxes | 1.68 | 0.64 | 0.58 | - |
| Payment of Income Tax | 5.13 | - | - | 0.09 |
| Provision for Gratuity | | - | - | - |
| Unpaid ESIC/PF | - | - | - | - |
| TDS Penalty | - | - | - | - |
| **Total Permanent Differences(B)** | **6.82** | **0.64** | **0.58** | **0.09** |
| Income from Other Sources | - | - | - | - |
| Income from Capital Gain | - | - | - | - |
| **Total Income considered separately (C)** | **-** | **-** | **-** | **-** |
| **Timing Differences (D)** | | | | |
| Difference between tax depreciation and book depreciation | 7.59 | 2.52 | 6.61 | 1.92 |
| Depreciation as per P & L A/c | 19.18 | 9.88 | 12.98 | 5.58 |
| Depreciation as per Income tax | 11.59 | 7.36 | 6.37 | 3.67 |
| Disallowance u/s 43B | - | - | - | - |
| **Total Timing Differences (D)** | **7.59** | **2.52** | **6.61** | **1.92** |
| **Net Adjustments E = (B+D)** | **14.41** | **3.15** | **7.19** | **2.01** |
| **Tax expense / (saving) thereon** | 4.01 | 0.82 | 1.87 | 0.52 |
| Profit On Sale of Slum Sale | - | - | - | - |
| **Long Term Capital Gain (F)** | **-** | **-** | **-** | **-** |
| Interest of Fixed Deposit | - | - | - | - |
| Interest on IT | - | - | - | - |
| Insurance Surrender Income | - | - | - | - |
| Interest on others | - | - | - | - |
| **Income from Other Sources (G)** | **-** | **-** | **-** | **-** |
| **Addition u/s 28 to 44DA (Deduction claimed in Normal business)** | | | | |
| **Deduction u/s VI-A** | - | | | |
| **Loss of P.Y. Brought Forward & Adjusted(H)** | **-** | **-** | **-** | **-** |
| Brought Forward Busniess Loss | | - | - | - |
| Brought Forward Capital Gain loss | - | - | - | - |
| Brought Forward Depreciation | - | - | - | - |
| Brought Forward MAT Credit | | | - | - |

| | | | | |
|---|---|---|---|---|
| TaxableIncome/(Loss) (A+E+F+G) | **419.04** | **83.77** | **54.78** | **24.60** |
| **Taxable Income/(Loss) as per MAT** | 404.63 | 80.62 | 47.58 | 22.59 |
| **Disallowance as per MAT** | - | - | - | - |
| **Tax as per MAT** | 67.54 | 12.58 | 7.42 | 3.52 |
| **Basic Tax** | 60.69 | 12.09 | 7.14 | 3.39 |
| **Surcharge** | 4.25 | - | - | - |
| **Edu Cess** | 2.60 | 0.48 | 0.29 | 0.14 |
| **SHEC** | - | - | - | - |
| **Tax as per Normal Calculation** | 116.58 | 21.78 | 14.24 | 6.40 |
| **Basic Tax** | 104.76 | 20.94 | 13.69 | 6.15 |
| **Surcharge** | 7.33 | - | - | - |
| **Edu Cess** | 4.48 | 0.84 | 0.55 | 0.25 |
| **MAT Credit Used** | - | | | |
| **Income Tax as returned/computed** | 116.58 | 21.78 | 14.24 | 6.40 |
| **Interest Payable** | - | - | - | - |
| Tax paid as per normal or MAT | Normal | Normal | Normal | Normal |

**ANNEXURE 34 CAPITALISATION STATEMENT AS AT 31ST DECEMBER, 2022 (Rs. In Lakhs)**

| Particulars | Pre-Issue | Post Issue |
|---|---|---|
| **Borrowings** | | |
| Short term debt (A) | 211.83 | 211.83 |
| Long Term Debt (B) | 157.56 | 157.56 |
| **Total debts (C)** | **369.40** | **369.40** |
| **Shareholders' funds** | | |
| Equity share capital | 562.80 | 804.00 |
| Reserve and surplus - as restated | 302.72 | 4282.52 |
| **Total shareholders' funds** | **865.52** | **5086.52** |
| **Long term debt / shareholders' funds** | 0.18 | 0.03 |
| **Total debt / shareholders' funds** | 0.43 | 0.07 |

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at December 31, 2022**.**
2. Long term Debts includes current maturities of long-term debt.
3. For post issue Capitalization calculation has been done considering the allotment of shares in the IPO & Bonus issue as under:

(i) Allotment of 2,58,000 shares @ 175 per share as on 18/11/2022 and
(ii) Bonus issue of 53,60,000 shares as on 06/12/2022 and
(iii) Issue of shares through IPO of 24,12,000 @ 175 per share.

**ANNEXURE 35 RATIO ANALYSIS:**

| Ratio | Numerator | Denominator | As at 31st December 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 | % change from March 2022 to December, 2022 | % change from March 2021 to March 2022 | % change from March 2020 to March 2021 |
|---|---|---|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | 1.48 | 1.13 | 1.26 | 1.15 | - | -10.15% | 8.88% |
| Debt Equity Ratio | Total Debt | Shareholder's Equity | 0.43 | 2.08 | 1.33 | 2.59 | - | -56.88% | 48.77% |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Debt Service Coverage Ratio | Earnings before debt service | Interest + Lease payment + Principal Repayment | 0.79 | 0.00 | 56.02 | 0.00 | - | - | - |
| Return on Equity Ratio | Net Profit After Taxes | Average Shareholder's Equity | 0.59 | 0.64 | 0.73 | 0.77 | - | -12.85% | -4.34% |
| Inventory Turnover Ratio | Revenue from sale of Products | Average Inventory | 2.17 | 5.27 | 2.88 | 3.83 | - | 82.97% | -24.66% |
| Trade Receivables turnover ratio | Revenue from Operations | Average Trade Receivable | 2.16 | 3.48 | 2.39 | 3.00 | - | 45.64% | -20.39% |
| Trade payables turnover ratio | Purchase of Goods | Average Trade Payables | 1.54 | 2.51 | 1.63 | 1.78 | - | 54.08% | -8.42% |
| Net capital turnover ratio | Revenue from Operations | Working capital (CA-CL) | 2.98 | 12.78 | 4.43 | 7.89 | - | 188.68% | -43.87% |
| Net profit ratio | Net Profit | Revenue from Operations | 0.08 | 0.01 | 0.02 | 0.01 | - | -45.02% | 38.29% |
| Return on Capital employed | Earnings before interest and tax | Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.35 | 0.22 | 0.38 | 0.24 | - | -42.52% | 55.61% |

**Notes:**

**Percentage Change From 31st March, 2020 to 31st March, 2021**

| Particulars | Reasons |
|---|---|
| Debt- Equity Ratio | Due to Increase in Net Profit and No Major change in Debt Portion, Affects Ratio Positively |
| Net Capital Turnover Ratio | Due to Increase in Trade Receivables, Affects Ratio Negatively |
| Net Profit Ratio | Due to Increase in Turnover as well as Net Profit in Equal proportion, affects ratio positively |
| Return on Capital Employed | Due to Increase in EBIT as compare to Previous year, affects ratio positively. |

**Percentage Change From 31st March, 2021 to 31st March, 2022**

| Particulars | Reasons |
|---|---|
| Debt- Equity Ratio | Due to Major Increase in Short term Borrowings Affecting Ratio |

| | |
|---|---|
| | Negatively. |
| Inventory Turnover Ratio | Due to Post Covid effects boost in inventory of the company. |
| Trade Receivable Turnover Ratio | Due to Increasing the Credit Period Received. |
| Trade Payable Turnover Ratio | Due to increases in Purchase of Goods. |
| Net Capital Turnover Ratio | Due to Increase in Short term Borrowings to fill the gap of Demand and Supply, Affects Ratio Positively. |
| Net Profit Ratio | Due to high volume of Turnover and Net Profit not increasing as compared to turnover in proportion, affects ratio negatively. |
| Return on Capital Employed | Due to Increase in Debt as compare to Previous year, affects ratio Negatively. |

36. The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.

37. Since the company has taken unsecured loan which is given by director of company but for that company has not any agreement in writing.

38. The Company has not revalued its Property, Plant and Equipment for the restated period.

39. There has been no Capital work in progress for the restated period.

*40. The Company has not made an actuarial valuation for provision of Gratuity as per AS 15 and accounted for gratuity when gratuity is claimed by the employee at the time of retirement. To that extent the profit & loss account of the company does not represent true & fair result of the company performance.*

41. *The company neither collect nor deposited amount of provided fund and ESIC as per the statutory obligation. To that extent the profit & loss account of the company does not represent true & fair result of the company performance.*

42. There is no Intangible assets under development for the restated period.

43. Credit and Debit balances of unsecured loans, Trade Payables, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

44. The Company does not have any charges or satisfaction which is yet to be registered with ROC or beyond the statutory period.

45. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

46. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

47. No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.

48. The company has not been declared as willful defaulter by any bank or financial institution or government or government authority.

49. The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of Companies act 1956.

50. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

51. **Corporate Social Responsibility (CSR)**

The section 135 (Corporate social responsibility) of companies acts, 2013 is not applicable to the company.

52. **Notes forming part of accounts in relation to Micro and small enterprise**

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below:

(₹ in Lakh)

| S | Particulars | Period Ended on 31st December, 2022 | | Year Ended on 31st March, 2022 | | Year Ended on 31st March, 2021 | | Year Ended on 31st March, 2020 | |
|---|---|---|---|---|---|---|---|---|---|
| | | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| I | Amount due as at the date of Balance sheet | Nil | Nil | Nil | Nil | 11.77 | Nil | Nil | Nil |
| Ii | Amount paid beyond the appointed date during the year | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Iii | Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Iv | The amount of interest accrued and remaining unpaid as at the date of Balance sheet | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

The company has initiated the process of obtaining the confirmation from suppliers who have registered

themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

**52. Title deeds of immovable Property**

Tittle deeds of immovable property has not been held in the name of promoter, director, or relative of promoter/ director or employee of promoters / director of the company, hence same are held in the name of the company.

**53. Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties:**

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.

**54. Shares Held by Promoters at the End of the Year**

| Sr. No | Promoter Name | No. of Shares as on 31.12.2022 | % of Total Shares | % of change | No. of Shares 2021-22 | % of Total Shares | No. of Shares 2020-21 | % of Total Shares | No. of Shares 2019-20 | % of Total Shares |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Sangita Aggarawala | 56,25,800 | 99.96% | 0.96% | 9900 | 99% | 9900 | 99% | 9900 | 99% |
| 2 | Sanjay Gupta | 1700 | 0.03% | -0.96% | 100 | 1% | 100 | 1% | 100 | 1% |

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended on December 31, 2022 and for the year ended on March 31, 2022, March 31, 2021 and March 31, 2020. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled *"Risk Factors"* beginning on page 18 of this Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Bizotic Commercial Limited, our Company. Unless otherwise indicated, financial information included herein are based on our *"Restated Financial Information*" for period ended on December 31, 2022 and for the Financial Years 2021-22, 2020-21, and 2019-20 included in this Prospectus beginning on page 106 of this Prospectus.

### BUSINESS OVERVIEW

We are engaged into the business of manufacturing, designing and marketing of readymade garments offering diverse range of men's f Formal Wear, Casual Wear, Party Wear, Fit Wear, Sports Wear, Comfort Wear, Ethnic Wear, Winter Wear. We serve our customers through the channels of retail stores and e-commerce. Our garment manufacturing process includes cutting, stitching, sewing, finishing, inspection and packing. We outsource the entire garments manufacturing on job work basis from third party contractors from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications, procure the requisite raw materials at their own costs and begin the manufacturing process. The products delivered to us from third party contractors are completely finished and packaged to our warehouse/stores. However, we have not entered into Job work agreement.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e. December 31, 2022, there is no any significant development occurred in the Company other than loans for the Business purpose has been taken by the Company as stated Below:

| Sr. No. | Name of The Bank | Amount Sanctioned (Disbursed Amount) | Rate of Interest | No of Installment | Amount of installment (₹ in lakhs) |
|---|---|---|---|---|---|
| 1. | Ambit Finvest Private Limited | 19.05 | 19.00% | 24 Month | 1.01 |
| 2. | IndusInd Bank Limited | 30.00 | 17.50% | 30 Month | 1.24 |
| 3. | MAS Financials Services Limited | 17.83 | - | 36 Month | 0.88 |
| 4. | Yes Bank | 30.00 | 17.50% | 36 Month | 1.08 |

### KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our Company's future results of operations could be affected potentially by the following factors:

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. Company's inability to retain the experienced staff
4. Failure to adapt the changing technology in our industry of operation may adversely affect our business
5. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
6. Competition with existing and new entrants

7. Reduction of the sub contact from the big contracting Company.

**OUR SIGNIFICANT ACCOUNTING POLICIES**

For significant accounting policies please refer Significant Accounting Policies, "Annexure 4" beginning under Chapter titled "Restated Financial Information" beginning on page 106 of the Prospectus.

**Financial performance of the stub period for the period ended on December 31, 2022**

**(₹in Lacs)**

| Income from continuing operations | Amount | % |
|---|---|---|
| **Revenue from operations** | | - |
| Revenue from operations | 3,748.26 | 99.97 |
| Total | 3748.26 | |
| Other Income | 1.15 | 0.03 |
| **Total Revenue** | **3,749.41** | |
| **Expenses** | | |
| Purchase of Stock in Trade | 3,847.93 | 102.63 |
| Change in Inventories of Stock in Trade | (879.72) | (23.46) |
| Employee benefits expense | 90.31 | 2.41 |
| Finance Costs | 23.86 | 0.64 |
| Other expenses | 19.18 | 0.51 |
| Depreciation and amortisation expenses | 243.21 | 6.49 |
| **Total Expenses** | **3,344.78** | 89.21 |
| **Restated profit before tax from continuing operations** | **404.63** | 10.79 |
| **Total tax expense** | **114.35** | |
| **Restated profit after tax from continuing operations (A)** | **290.28** | 7.74 |

**Total Income from Operations**
The Total income from the operation for the stub period ended on December 31, 2022 was ₹3,749.41 Lacs which includes revenue from operation of ₹3,748.26 lacs and other income of ₹1.15 lacs.

**Total Expenditure**
The total expenditure for stub period ended on December 31, 2022 was ₹3,344.78 lacs which is 89.21% of the total revenue for the stub period. The major expenditure which is part of the total expenditure is Purchase of Stock in Trade consumed amounting to ₹3847.93 lacs (102.63 %), Change in Inventories of Stock in Trade is ₹(879.72) lacs (-23.46%) and Employee Benefit Expenses amounting to ₹90.31 lacs (2.41%).

**EBDTA**
The EBDTA for the stub period was ₹ 671.70 lacs representing to 17.91% of total Revenue.

**Profit after Tax**
The profit after Tax for the stub period was ₹290.28 lacs representing to 7.74% of the total revenue.

**RESULTS OF KEY OPERATIONS**

**(₹ in lakhs)**

| Particulars | For the year ended on | | |
|---|---|---|---|
| | 31.03.2022 | 31.03.2021 | 31.03.2020 |
| **Income from continuing operations** | | | |
| Revenue from operations | 5,341.39 | 1,679.95 | 1,113.64 |
| **Total Revenue** | **5,341.39** | **1,679.95** | **1,113.64** |
| **% of growth** | 217.95 | 50.85 | |
| Other Income | 0.58 | 0.02 | 0.33 |

| | | | |
|---|---|---|---|
| % total Revenue | 0.01 | 0.00 | 0.03 |
| **Total Revenue** | **5,341.98** | **1,679.97** | **1,113.97** |
| | 217.98 | 50.81 | |
| **Expenses** | | | |
| Purchase of Stock in Trade | 4748.21 | 1390.01 | 872.48 |
| % Total Revenue | 89.61 | 82.74 | 78.32 |
| Employee benefits expense | 90.70 | 27.36 | 28.46 |
| **% Increase/(Decrease)** | 231.46 | (3.86) | |
| Finance Costs | 1.38 | 8.03 | 3.00 |
| **% Increase/(Decrease)** | (82.86) | 167.66 | |
| Other expenses | 372.19 | 194.00 | 181.85 |
| **% Increase/(Decrease)** | 91.85 | 6.68 | |
| Depreciation and amortisation expenses | 9.88 | 12.98 | 5.58 |
| **% Increase/(Decrease)** | (23.87) | 132.47 | |
| **Total Expenses** | **5,261.35** | **1,632.38** | **1,091.37** |
| % to total revenue | 98.49 | 97.17 | 97.97 |
| **EBDITA** | **91.88** | **68.60** | **31.18** |
| **% to total revenue** | 1.72 | 4.08 | 2.80 |
| **Restated profit before tax from continuing operations** | 80.62 | 47.58 | 22.59 |
| **Exceptional Item** | | | |
| Total tax expense | 21.05 | 13.50 | 6.25 |
| **Restated profit after tax from continuing operations (A)** | 59.57 | 34.08 | 16.34 |
| **% to total revenue** | **1.12** | **2.03** | **1.47** |

**COMPARISON OF F.Y. 2021-22 WITH F.Y. 2020-21:**

**Income from Operations**

The company is in trading of Fabric & doing sale of Garment through its owned or franchisee Showrooms under the brand name "Urban United". In the F.Y. 2021-22, Company's total revenue was ₹5341.39 Lakhs, which is increased by 217.95% in compare to F.Y. 2020-21 total Income of ₹1679.95 Lakhs. Because of the adverse impact of Covid - 19 Lock down, many of our Franchisee holders cannot sustained due to heavy rent charges of the stores. Almost 28 franchised stores on rented premises were closed in Covid-19 period in F.Y. 2020-21.

**Expenditure:**

**Purchase of Stock in Trade**

The Purchase of Stock Material in F.Y. 2021-22 was ₹ 4787.21 lakhs which was ₹1390.01 lacs in F.Y. 2020-21. The Material Consumed expenses was 89.61% in the F.Y. 2021-22 as compared to 82.74% in F.Y. 2020-21. The Company improves its quality of the products by using better quality raw material as well as the price of the raw material is also increased at some level.

**Employee Benefits Expenses:**

The Employee expenses for F.Y. 2021-22 was ₹90.70 Lakhs against the expenses of ₹27.36 Lakhs in F.Y. 2020-21 showing increase by 231.46%. The increase in the employee expenses was due to increment to the staff after Covid 19.

**Finance Cost:**

The Finance Cost for the F.Y. 2021-22 was ₹1.38 Lakhs against the cost of ₹8.03 Lakhs in the F.Y. 2020-21 showing decrease by (82.86%). The Finance cost is decreased on account of decrease in borrowing by the Company.

**Other Expenses**

Other Expenses increased to ₹372.19 lakhs for F.Y. 2021-22 against ₹194.00 Lakhs in F.Y. 2020-21 showing increase of 91.85%. The other expenses increase on account of Commission Expenses, Discount on Sales and Jobwork Expenses resulting into increase in other expenses.

**Depreciation and Amortisation Expenses:**
The Depreciation for F.Y. 2021-22 was ₹9.88 Lakhs as compared to ₹12.98 Lakhs for F.Y. 2020-21. The depreciation was increased by (23.87%) in F.Y. 2021-22 as compared to F.Y. 2020-21. The depreciation is reduced as the Company is providing the depreciation on W.D.V method and reduction of asset value and no further addition in the fixed asset result in to reduction of depreciation amount.

**EBDITA**
The EBDTA for F.Y. 2021-22 was ₹91.88 Lakhs as compared to ₹68.60 Lakhs for F.Y. 2020-21. The EBDTA was 1.72 % in FY 2021-22 of total Revenue as compared to 4.08% in FY 2020-21. The EBDITA is decreased on account of increase in cost of materials, which the Company cannot transfer to its customers and increase in other expenses.

**Profit after Tax (PAT)**
PAT is₹59.57 Lakhs for the F.Y. 2021-22 as compare to ₹34.08 Lakhs in F.Y. 2020-21. The PAT was 1.12% of total revenue in F.Y. 2021-22 compared to 2.03% of total revenue in F.Y. 2020-21. The PAT is decreased on account of increase in cost of materials, which the Company cannot transfer to its customers and increase in other expenses in FY 2021-22 compare to FY 2020-21.

**COMPARISON OF F.Y. 2020-21 WITH F.Y. 2019-20:**

**Income from Operations**
In the F.Y. 2020-21, Company's total revenue was ₹1679.95 Lakhs, which is increased by 50.85% in compare to F.Y. 2019-20 total Income of ₹1113.64 Lakhs. Because of lake of market awareness about the brand, the Company is not getting much business from the Garment Trading through Showrooms.

**Expenditure:**

**The Purchase of Stock in Trade**
The Purchase of Material in stock in F.Y. 2020-21 was ₹1390.01 lakhs which was ₹ 872.48 lacs in F.Y. 2019-20. The cost of material consumed was 82.74% in the F.Y. 2020-21 as compared to 78.32% in F.Y. 2019-20. The increase in cost of material was on account of increase in the prices of materials on account of COVID 19, the cost of material was increased in FY 2020-21 as compared to FY 2019-20.

**Employee Benefits Expenses:**
The Employee expenses for F.Y. 2020-21 was ₹27.36 Lakhs against the expenses of ₹28.46 Lakhs in F.Y. 2019-20 showing decrease by 3.86% due to decrease in staff of the Company.

**Finance Cost:**
The Finance Cost for the F.Y. 2020-21 was ₹8.03 Lakhs against the cost of ₹3.00 Lakhs in the F.Y. 2019-20 showing increase of 167.66%. The increase in finance cost is because of the increase in borrowings of the Company.

**Other Expenses**
Other Expenses increased to ₹194.00 Lakhs for F.Y. 2020-21 against ₹181.85 Lakhs in F.Y. 2019-20 showing increase of 6.68%. The increase in expenses on account of increase in the business of the company by 6.68% in FY 2020-21 compared to FY 2019-20.

**Depreciation and Amortisation Expenses:**
The Depreciation for F.Y. 2020-21 was ₹12.98 Lakhs as compared to ₹5.58 Lakhs for F.Y. 2019-20. The depreciation increased by 132.47% in F.Y. 2020-21 as compared to F.Y. 2019-20. The depreciation in FY 2019-20 was high on account of provision of depreciation on the motor car for the full year, which was purchased in the last 6 months of the F.Y. 2019-20, in which, depreciation was provided for 6 months.

**EBDITA**

The EBDTA for F.Y. 2020-21 was ₹68.60 Lakhs as compared to ₹31.18 Lakhs for F.Y. 2019-20. The EBDTA was 4.08% of total Revenue as compared to 2.80% in F.Y. 2019-20. The increase in the EBIT was due to increase income from operation.

**Profit after Tax (PAT)**
PAT is ₹34.08 Lakhs for the F.Y. 2020-21 in compare to ₹16.34 Lakhs in F.Y. 2019-20. The PAT was 2.03 % of total revenue in F.Y. 2020-21 compared to 1.47% of total revenue in F.Y. 2019-20.

**Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations**:

1. **Unusual or infrequent events or transactions**
   To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years other than shut down of business due to COVID-19.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations.**
   Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "*Risk Factors"* beginning on page 18 of this Prospectus. To our knowledge, except as we have described in this Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. **Income and Sales on account of major product/main activities**
   Income and sales of our Company on account of major activities derives from Trading of Fabric.

4. **Whether the company has followed any unorthodox procedure for recording sales and revenues**
   Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. **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 titled "*Risk Factors*" beginning on page 18 in this 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.

6. **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**
   Increases in revenues are by and large linked to increases in volume of business.

7. **Total turnover of each major industry segment in which the issuer company operated.**
   The Company is in the business of manufacture, the relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no 69 of this Prospectus.

8. **Status of any publicly announced new products or business segment.**
   Our Company has not announced any new services or business segment.

9. **The extent to which business is seasonal.**
   Our Company's business is not seasonal,

10. **Any significant dependence on a single or few suppliers or customers.**
    Our Company is not dependent on any single or few suppliers of customers.

11. **Competitive conditions.**
    Competitive conditions are as described under the Chapters titled *"Industry Overview"* and *"Business Overview"* beginning on pages 69 and 75, respectively of this Prospectus.

**FINANCIAL INDEBTEDNESS**

| Sr. No | Name of the Bank/ NBFC | Amount Sanctioned | Amount o/s as on December 31, 2022 Books |
|---|---|---|---|
| 1 | Ambit finvest* | 20,00,000 | - |
| 2 | Axis Bank | 28,49,000 | 26,37,395 |
| 3 | Bajaj Finserv (Dropline Flexi) | 30,48,281 | 27,23,347 |
| 4 | Fullerton India | 12,11,670 | 10,53,106 |
| 5 | HDFC Bank | 50,23,916 | 44,64,126 |
| 6 | Hero FinCorp | 15,15,000 | 13,15,371 |
| 7 | ICICI Bank | 25,00,000 | 21,12,259 |
| 8 | Indusind Bank Ltd.* | 30,00,000 | - |
| 9 | Mahindra and Mahindra Financial Services Limited | 25,00,000 | 23,53,045 |
| 10 | Mas Financial Services Limited* | 25,00,000 | - |
| 11 | Indusind Bank | 6,30,000 | 5,87,923 |
| 12 | Ugro Capital Limited | 20,30,000 | 19,01,174 |
| | Total | 2,88,07,867 | 2,78,42,371 |

- The loan has been sanctioned but the disbursement has not been taken upto December 31, 2022 and the same loan will be continued and the issue proceeds will not be utilized for the repayment of these loans.

| Sr. No | Name of the Persons | Amount of Loan Outstanding as on December 31,2022 | Terms and Conditions |
|---|---|---|---|
| 1 | Sanjay Gupta | 1,41,85,722 | Interest free Repayable on demand |
| 2 | Mohit Agrawal | 5,00,000 | Interest free Repayable on demand |

## OTHER FINANCIAL INFORMATION

**RATIO ANALYSIS:**

| Ratio | Numerator | Denominator | As at 31st December 2022 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 | % change from March 2022 to December, 2022 | % change from March 2021 to March 2022 | % change from March 2020 to March 2021 |
|---|---|---|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | 1.48 | 1.13 | 1.26 | 1.15 | - | -10.15% | 8.88% |
| Debt Equity Ratio | Total Debt | Shareholder's Equity | 0.43 | 2.08 | 1.33 | 2.59 | - | -56.88% | 48.77% |
| Debt Service Coverage Ratio | Earnings before debt service | Interest + Lease payment + Principal Repayment | 0.79 | 0.00 | 56.02 | 0.00 | - | - | - |
| Return on Equity Ratio | Net Profit After Taxes | Average Shareholder's Equity | 0.59 | 0.64 | 0.73 | 0.77 | - | -12.85% | -4.34% |
| Inventory Turnover Ratio | Revenue from sale of Products | Average Inventory | 2.17 | 5.27 | 2.88 | 3.83 | - | 82.97% | -24.66% |
| Trade Receivables turnover ratio | Revenue from Operations | Average Trade Receivable | 2.16 | 3.48 | 2.39 | 3.00 | - | 45.64% | -20.39% |
| Trade payables turnover ratio | Purchase of Goods | Average Trade Payables | 1.54 | 2.51 | 1.63 | 1.78 | - | 54.08% | -8.42% |
| Net capital turnover ratio | Revenue from Operations | Working capital (CA-CL) | 2.98 | 12.78 | 4.43 | 7.89 | - | 188.68% | -43.87% |
| Net profit ratio | Net Profit | Revenue from Operations | 0.08 | 0.01 | 0.02 | 0.01 | - | -45.02% | 38.29% |
| Return on Capital employed | Earnings before interest and tax | Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.35 | 0.22 | 0.38 | 0.24 | - | -42.52% | 55.61% |

**Notes:**

**Percentage Change From 31st March, 2020 to 31st March, 2021**

| Particulars | Reasons |
|---|---|
| Debt- Equity Ratio | Due to Increase in Net Profit and No Major change in Debt Portion, Affects Ratio Positively |
| Net Capital Turnover Ratio | Due to Increase in Trade Receivables, Affects Ratio Negatively |
| Net Profit Ratio | Due to Increase in Turnover as well as Net Profit in Equal proportion, affects ratio positively |
| Return on Capital Employed | Due to Increase in EBIT as compare to Previous year, affects ratio positively. |

**Percentage Change From 31st March, 2021 to 31st March, 2022**

| Particulars | Reasons |
|---|---|
| Debt- Equity Ratio | Due to Major Increase in Short term Borrowings Affecting Ratio Negatively. |
| Inventory Turnover Ratio | Due to Post Covid effects boost in inventory of the company. |
| Trade Receivable Turnover Ratio | Due to Increasing the Credit Period Received. |
| Trade Payable Turnover Ratio | Due to increases in Purchase of Goods. |
| Net Capital Turnover Ratio | Due to Increase in Short term Borrowings to fill the gap of Demand and Supply, Affects Ratio Positively. |
| Net Profit Ratio | Due to high volume of Turnover and Net Profit not increasing as compared to turnover in proportion, affects ratio negatively. |
| Return on Capital Employed | Due to Increase in Debt as compare to Previous year, affects ratio Negatively. |

**CAPITALISATION STATEMENT AS AT 31ST DECEMBER, 2022**

**(Rs. In Lakhs)**

| Particulars | Pre-Issue | Post Issue |
|---|---|---|
| **Borrowings** | | |
| Short term debt (A) | 211.83 | 211.83 |
| Long Term Debt (B) | 157.56 | 157.56 |
| **Total debts (C)** | **369.40** | **369.40** |
| **Shareholders' funds** | | |
| Equity share capital | 562.80 | 804.00 |
| Reserve and surplus - as restated | 302.72 | 4282.52 |
| **Total shareholders' funds** | **865.52** | **5086.52** |
| **Long term debt / shareholders' funds** | 0.18 | 0.03 |
| **Total debt / shareholders' funds** | 0.43 | 0.07 |

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at December 31, 2022**.**
2. Long term Debts includes current maturities of long-term debt.
3. For post issue Capitalization calculation has been done considering the allotment of shares in the IPO & Bonus issue as under:

(i) Allotment of 2,58,000 shares @ 175 per share as on 18/11/2022 and
(ii) Bonus issue of 53,60,000 shares as on 06/12/2022 and
(iii) Issue of shares through IPO of 24,12,000 @ 175 per share.

## SECTION VII – LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal or Civil proceedings (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five (5) Financial Years, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board ("Materiality Policy"), in each case involving our Company, Promoters and Directors (the "Relevant Parties").

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on January 31, 2023 and has considered for identification of material litigation involving the Relevant Parties.

In terms of the Materiality, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters since incorporation including outstanding action, and tax matters, would be considered 'material' if:

(a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of Rs. 5.00 Lakhs shall be considered material; or
(b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.
Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on January 31, 2023 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per the restated financials for the period ended December 31, 2022 shall be considered as material dues ("Material Dues").

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at www.urbanunited.in. It is clarified that for the purposes of the above, pre – litigations notices received by our Company Promoters, and the Directors shall, unless otherwise decided by the Board, not be considered as material litigations until such time that litigations proceedings are initiated before any judicial forum.

**PART I –LITIGATIONS INVOLVING OUR COMPANY**
**A. LITIGATIONS AGAINST OUR COMPANY**

1) Criminal Litigations
   NIL
2) Civil Proceedings
   NIL
3) Taxation Matters
   NIL
4) Proceedings against Our Company for economic offences/securities laws/ or any other law
   NIL
5) Penalties in Last Five Years
   NIL
6) Pending Notices against our Company
   NIL
7) Past Notices to our Company
   NIL
8) Disciplinary Actions taken by SEBI or stock exchanges against Our Company

NIL

9) Defaults including non-payment or statutory dues to banks or financial institutions
NIL

10) Details of material frauds against the Company in last five years and action taken by the Companies.
NIL

**B. LITIGATIONS FILED BY OUR COMPANY**

1) Criminal Litigations

**CASE NO. A TO F**

**Court: Metropolitan Magistrate Court No. 31 at Ahmedabad**
**Complainant: M/s. Bizotic Commercial Private Limited ("the Company")**
**Accused: KSR Sales, Rajesh Chaudhary**

The accused were in the trading business of garments in his two showrooms, the material / garments were supplied by the Company on time-to-time basis. The accused has total outstanding of Rs. 38,57,266/- with the Company. To repay the said amount the accused had issued different amount cheques to the Company.

The Company had served the notice u/s 138 of Negotiable Instrument Act to the accused for dishonored/returned the cheque with the remarked "Payment Stopped by Drawer" on 29.08.2019. The Company had served many times legal notices to the accused, but the accused refuse to accept the same, thus, the accused were failed to pay the outstanding amount and he kept on neglecting the outstanding dues.

**a) Criminal Complaint No. 100885 of 2022**

In the above stated case matter, the Company had served the first notice dated 09.09.2022 to accused in the matter of cheque return (Cheque No. 061797, Amount: Rs. 5,00,000/-). In the Month of November, 2019, the Company had filed criminal complaint against accused before Metropolitan Magistrate Court No. 31 at Ahmedabad, and prays for the offense and issue process against the accused u/s 138 read with 141 of Negotiable Instrument Act, in accordance with the law. The said case is still pending for the final judgment before the court.

**b) Criminal Complaint No. 100741 of 2022**

In the above stated case matter, the Company had served the first notice dated 09.09.2022 to accused in the matter of cheque return (Cheque No. 061798, Amount: Rs. 2,50,000/-). In the Month of November, 2019, the Company had filed criminal complaint against accused before Metropolitan Magistrate Court No. 31 at Ahmedabad, and prays for the offense and issue process against the accused u/s 138 read with 141 of Negotiable Instrument Act, in accordance with the law. The said case is still pending for the final judgment before the court.

**c) Criminal Complaint No. 100805 of 2022**

In the above stated case matter, the Company had served the first notice dated 09.09.2022 to accused in the matter of cheque return (Cheque No. 061799, Amount: Rs. 2,00,000/-). In the Month of November, 2019, the Company had filed criminal complaint against accused before Metropolitan Magistrate Court No. 31 at Ahmedabad, and prays for the offense and issue process against the accused u/s 138 read with 141 of Negotiable Instrument Act, in accordance with the law. The said case is still pending for the final judgment before the court.

**d) Criminal Complaint No. 100864 of 2022**

In the above stated case matter, the Company had served the first notice dated 09.09.2022 to accused in the matter of cheque return (Cheque No. 061800, Amount: Rs. 5,00,000/-). In the Month of November, 2019, the

Company had filed criminal complaint against accused before Metropolitan Magistrate Court No. 31 at Ahmedabad, and prays for the offense and issue process against the accused u/s 138 read with 141 of Negotiable Instrument Act, in accordance with the law. The said case is still pending for the final judgment before the court.

**e) Criminal Complaint No. 100818 of 2022**

In the above stated case matter, the Company had served the first notice dated 09.09.2022 to accused in the matter of cheque return (Cheque No. 061801, Amount: Rs. 5,00,000/-). In the Month of November, 2019, the Company had filed criminal complaint against accused before Metropolitan Magistrate Court No. 31 at Ahmedabad, and prays for the offense and issue process against the accused u/s 138 read with 141 of Negotiable Instrument Act, in accordance with the law. The said case is still pending for the final judgment before the court.

**f) Criminal Complaint No. 100834 of 2022**

In the above stated case matter, the Company had served the first notice dated 09.09.2022 to accused in the matter of cheque return (Cheque No. 061802, Amount: Rs. 5,00,000/-). In the Month of November, 2019, the Company had filed criminal complaint against accused before Metropolitan Magistrate Court No. 31 at Ahmedabad, and prays for the offense and issue process against the accused u/s 138 read with 141 of Negotiable Instrument Act, in accordance with the law. The said case is still pending for the final judgment before the court.

**CASE NO. G**

**Case No.: 14355/2022**
**Court: Metropolitan Magistrate Court, Ahmedabad**
**Complainant: M/s. Bizotic Commercial Private Limited ("the Company")**
**Accused: M/s. Dhavit Enterprises**
**Under Section: Section 138 read with section 141 of Negotiable Instrument Act, 1881**
**Amount: Rs. 20,00,000**

The accused persons were to run the franchisee as per terms and conditions at Trinity Mall, Jaipur, in the Year 2019. The said franchisee was shut by the party and entered into new franchise agreement at Triton Mall. The accused person has deposited the interest free security deposit of Rs. 10,00,000/- (Rupee Ten Lakhs). Due to certain dispute, the accused fail to make a payment on account of cash sales from January 15, 2021. The Company is legally entitled to recover sum of Rs. 1,40,83,999/- as against the stock value and other heads.

The Company had served the notice to the accused in matter of cheque return (Cheque No. 000248 of HDFC Bank) amounting to Rs. 20,00,000 with the remark "Payment stopped by the Drawer" on December 09, 2021. Legal Notice have been served by the Company to the Accused on December 28, 2021 by Registered Post, However the accused reply vaguely to the notice.

The Company had made pre-institution meditation case no 70/2022 in the city civil court legal Services Committee on 3rd February, 2022. However, on scheduled date March 19,2022 and April 20,2022 for appearance by the Dhavit Enterprises, no one either any representative or counsel did not give consent. The Committee has issued nonstarter report on May 27,2022.

Simultaneously pursuing the matter with city civil court legal Services Committee, the Company had filed Criminal Case no. 14355/22 on February 09, 2022 before the Hon'ble Metropolitan Magistrates Court, Ahmedabad.

The Company and accused had entered into settlement deed on September 28, 2022 and as per the terms of conditions of settlement deed that the security deposit lying with the company shall be counted towards the payment of stock lying with the Dhavit and both the parties agree to withdraw the complaint from the respective authorities. The final order is yet pending from the Court.

**CASE NO. H**

**Case No.: Criminal Case No. 2394 /2022**
**Court: Hon'ble Metropolitan Court**
**Complainant: M/s. Bizotic Commercial Private Limited ("the Company")**
**Accused: Usha Katta sole proprietor of P G Enterprises**
**Under Section: Section 138 read with section 141 of Negotiable Instrument Act, 1881**
**Amount: Rs. 5,00,000**

The accused persons were to run the franchisee as per terms and conditions at Sky Mall, Jaipur, in the Year 2019. In April, 2021 a fresh LOI was entered for the same store. Due to certain dispute, the accused fail to make a payment on account of cash sale. The Company is legally entitled to recover sum of Rs. 76,60,163/- as against the stock value and other heads.

The Company had deposited cheque no. 33150621 of Union Bank of India, Jaipur of Rs. 5,00,000/-, which was returned with the remark "alteration requires the drawers' authentications" and notice was served on February 16, 2022 and the same was retuned due to non-availability of accused. Out of abundant caution the cheque was once again deposited on March 02, 2022 and the same was returned on March 03, 2022. Criminal enquiry was filled on April 04, 2022 in said matter before the Hon'ble Metropolitan Magistrates Court, Ahmedabad.

The Company and accused had entered into settlement deed on September 28, 2022 and both the parties agree to withdraw the complaint from the respective authorities. The Settlement Deed is presented before the Court. The final order is yet pending from the Court.

2) Civil Proceedings
   NIL
3) Taxation Matters
   NIL
4) Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law.
   NIL

**PART II –LITIGATIONS INVOLVING DIRECTOR(S) OF OUR COMPANY**
**A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY**

1) Criminal Litigations
   NIL
2) Civil Proceedings
   NIL
3) Taxation Matters
   NIL
4) Past Penalties imposed on our directors
   NIL
5) Proceedings initiated against our directors for economic offences/securities laws/ or any other law
   NIL
6) Directors on list of wilful defaulters of RBI
   NIL

**B. LITIGATIONS FILED BY DIRECTOR(S) OF OUR COMPANY**

1) Criminal Litigations
   NIL
2) Civil Proceedings
   NIL
3) Taxation Matters
   NIL

**PART III –LITIGATIONS INVOLVING PROMOTER(S) OF OUR COMPANY**

**A. LITIGATIONS AGAINST PROMOTER(S) OF OUR COMPANY**

1) Criminal Litigations
   NIL
2) Civil Proceedings
   NIL
3) Taxation Matters
   NIL
4) Past Penalties imposed on our Promoters
   NIL
5) Proceedings initiated against our Promoters for economic offences/securities laws/ or any other law
   NIL
6) Penalties in Last Five Years
   NIL
7) Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past
   NIL
8) Adverse finding against Promoter for violation of Securities laws or any other laws
   NIL

**B. LITIGATIONS FILED BY PROMOTERS(S) OF OUR COMPANY**

1) Criminal Litigations
   NIL
2) Civil Proceedings
   NIL
3) Taxation Matters
   NIL

**PART IV –LITIGATIONS INVOLVING SUBSIDIARY COMPANY:**

**AS ON DATE OF THIS PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY COMPANY.**

**PART V –LITIGATIONS INVOLVING GROUP COMPANY:**

**AS ON DATE OF THIS PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY LITIGATIONS INVOLVING GROUP COMPANY.**

**PART VI –OTHER MATTERS**

**NIL**

**PART VII –DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

**NIL**

**PART VIII –OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

**NIL**

**PART IX –MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter - *"Management Discussion and Analysis of Financial Condition and Result of Operation"* on page 144 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**PART X –OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As on December 31, 2022, our Company had One Hundred Thirty-Six number of creditors, to whom a total amount of Rs. 2,073.08 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a

resolution of our Board dated January 31, 2023 considered creditors to whom the amount due exceeds Rs. 5.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

| Sr. No. | Particulars | Amount (Rs. in Lakhs) |
|---|---|---|
| 1. | Amount due to Micro and Small Enterprises. | Nil |
| 2. | Amount due to Material Creditors. | 1,965.75 |
| 3. | Amount due to Other Creditors. | 107.33 |
| | **Total** | **2,073.08** |

*The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSMED Act.

Trade Payables are non-interest bearing and are normally settled within the terms. There are no other amounts paid/payable towards interest/principal under the MSMED, Act. For complete details about outstanding dues to creditors of our Company, please see website of our Company www.urbanunited.in.

formation provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website: www.urbanunited.in. would be doing so at their own risk.

**WILFUL DEFAULTER**

Our Promoters and Directors have not been identified as a willful defaulter or fraudulent Borrower in terms of the SEBI ICDR Regulations as on the date of this Prospectus.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the licenses, permissions, approvals, no-objections, certifications, registrations, (collectively "Approvals") from the Government of India and various statutory, regulatory, governmental authorities listed below, our Company have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business activities (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business. It must be distinctly understood that in granting these Approvals, the Government of India and other authority 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.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer *"Key Industrials Regulations and Policies"* on page 85 of this Prospectus.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

**(A) Approvals for the Issue**

**Corporate Approvals**

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on December 31, 2022, authorised the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.

2. The Shareholders of the Company have, pursuant to a resolution dated January 25, 2023, passed in the EGM respectively under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.

**In-principal approval from the Stock Exchange**

3. The Company has obtained in-principal listing approval from the SME Exchange of the BSE dated April 10, 2023.

**Agreements with CDSL and NSDL**

4. The Company has entered into an agreement dated January 20, 2023 with the Central Depository Services (India) Limited (CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

5. Similarly, the Company has also entered into an agreement dated January 16, 2023 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

6. The Company's International Securities Identification Number ("ISIN") is INE0OJ401014.

**(B) Registration under the Companies Act, 1956/2013:**

| Sr. No. | Authority Granting Approval | Approval / Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Deputy Registrar of Companies, Central Registration Centre | U74999GJ2016PTC094934 vide Certificate of Incorporation dated December 29, 2016 | Companies Act, 2013 | Certificate of Incorporation | Valid, till Cancelled |

| | | | | | |
|---|---|---|---|---|---|
| 2. | Registrar of Companies, ROC-Ahmedabad | U74999GJ2016PLC094934 vide Certificate of Incorporation dated December 26, 2022. | Companies Act, 2013 | Fresh Certificate of Incorporation consequent upon conversion from private to public company | Valid, till Cancelled |

**(C) Registration under various Acts/Rules relating to Income Tax, Goods and Service Tax:**

| Sr. No. | Authority Granting Approval | Approval/ Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Income Tax Department- (PAN)* | AAHCB0285A | Income Tax Act, 1961 | Permanent Account Number | Valid, till Cancelled |
| 2. | Income Tax Department - (TAN)* | AHMB09999D | Income Tax Act, 1961 | Tax Deduction Account Number | Valid, till Cancelled |
| 3. | Gujarat Goods and Services Tax Act, 2017* | 24AAHCB0285A1Z9 | Goods and Services Tax Act, 2017 | Goods and Services Tax for Gujarat State | Valid, till Cancelled |
| 4. | Rajasthan Goods and Services Tax Act, 2017* | 08AAHCB0285A1Z3 | Goods and Services Tax Act, 2017 | Goods and Services Tax for Rajasthan State | Valid, till Cancelled |
| 5. | Uttar Pradesh Goods and Services Tax Act, 2017*$ | 09AAHCB0285A1Z1 | Goods and Services Tax Act, 2017 | Goods and Services Tax for Uttar Pradesh State | Valid, till Cancelled |
| 6. | Bihar Goods and Services Tax Act, 2017* | 10AAHCB0285A1ZI | Goods and Services Tax Act, 2017 | Goods and Services Tax for Bihar State | Valid, till Cancelled |
| 7. | Rajasthan Labour Department – Bhilwada* | SCA/2023/6/132563 | Registration under Rajasthan Shops and Commercial Establishments Act, 1958 | Shops and Commercial Establishment | Valid, till Cancelled |
| 8. | Rajasthan Labour Department – Jaipur* | SCA/2023/14/132964 | Registration under Rajasthan Shops and Commercial Establishments Act, 1958 | Shops and Commercial Establishment | Valid, till Cancelled |
| 9. | Employees‘ State Insurance Corporation | 37001415980000199 | Employee State Insurance Act, 1948 | Registration with ESIC Authority | Valid, till Cancelled |
| 10. | Employees' Provident Fund Organisation | GJVAT2870754000 | Employees' Provident Fund and Miscellaneous Provisions Act, 1952 | Employees' Provident Fund | Valid, till cancelled |
| 11. | Rajasthan Labour Department – Jodhpur* | SCA/2023/19/132708 | Registration under Rajasthan Shops and Commercial Establishments Act, 1958 | Shops and Commercial Establishment | Valid, till Cancelled |
| 12. | Amdavad Municipal | PEC010407003399 | Profession Tax | Profession Tax | Valid, till |

| | | | | | |
|---|---|---|---|---|---|
| | Corporation | | department - Registration Certificate under Bombay shops and establishment act, 1948* | department – EC (Enrollment Certificate) | Cancelled |
| 13. | Amdavad Municipal Corporation | PRC010407000325 | Profession Tax department - Registration Certificate under Bombay shops and establishment act, 1948* | Profession Tax department – Certificate of Registration (RC) | Valid, till Cancelled |
| 14. | Amdavad Municipal Corporation | PI/RHMC/4000990/0276414 | Gujarat Shops and Establishments (Regulation of Employment and Conditions of Services) Act, 2019 | Shops and Establishments Certificate | Valid, till Cancelled |

**$** The showroom situated at UP, was closed, but the Company is planning for the restart the same, hence the GSTN no. is active as on date.

**(D) Registration and Approvals under Statutory and Regulatory Act(s):**

| Sr. No. | Authority Granting Approval | Approval / Registration No. | Applicable Laws | Nature of Approvals | Validity |
|---|---|---|---|---|---|
| 1. | Ministry of Micro, Small and Medium Enterprises, Government of India* | UDYAM-GJ-01-0154677 | Entrepreneurs Memorandum for Setting up Micro, Small or Medium enterprise. | Udyam Registration Certificate | Valid, till cancelled |

Note: *All the Approvals/Licenses/Registration are in name of Bizotic Commercial Private Limited, company is taking necessary steps to get the same in the name of Bizotic Commercial Limited.

**(E) Approvals not yet Applied**

| Sr. No. | Description | Authority |
|---|---|---|
| 1. | Registration under Rajasthan Shops and Commercial Establishments Act, 1958 – Chittorgarh | Rajasthan Labour Department |

## FINANCIAL INFORMATION OF OUR GROUP COMPANIES

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable Accounting Standard (AS-18) as per the Restated Financial Statements of our Company. Further in addition to it, pursuant to a resolution of our Board dated January 31, 2023 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if any such company is an Associate Company of our Company or our Company is an Associate Company of such Company.

There is no company which is considered material by the Board of Directors of our Company to be identified as Group Company.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on December 31, 2022, subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013 at the Extra Ordinary General Meeting of our Company held on January 25, 2023.

We have received In- Principle Approval from BSE SME vide their letter dated April 10, 2023 to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE Ltd is the Designated Stock Exchange.

### PROHIBITION BY SEBI

Our Company, Promoters, Promoter Group and Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Prospectus.

### CONFIRMATION

1. Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Prospectus.

2. Our directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our directors are associated as promoters or directors in past (5 five) years.

### DECLARATION AS WILFUL DEFAULTERS & FUGITIVE ECONOMIC OFFENDER

Neither our Company, our Promoters, our directors, have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities.

### ELIGIBILITY FOR THE ISSUE

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten crores, 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 SME Platform of BSE Limited (“BSE SME”)). Our Company also complies with eligibility conditions laid by SME Platform of BSE Limited for listing of Equity Shares.

**We confirm that:**

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the lead manager shall ensure that the issuer shall file copy of the prospectus with SEBI along with Due Diligence certificate including additional confirmations as required at the time of filing the Prospectus to SEBI.

2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this issue has been hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the

Total Issue Size. For further details pertaining to said underwriting please see "General Information" on page 37 of this Prospectus.

3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four working days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of four days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act, 2013 and applicable laws.

4. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see "General Information" on page 37 of this 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.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Platform of BSE Limited which states as follows:

**1. The issuer should be a Company incorporated Under Companies Act, 2013**

Our Company is incorporated under the Companies Act, 2013.

**2. The post issue paid up capital of the company (face value) shall not be more than₹ 25 crores.**

The post issue paid up capital (face value) of the Company will be ₹8.04 crores, less than ₹25 crores.

**3. Positive Net Worth**

(₹ in lakhs)

| Particulars | December 31, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| Net Worth as per Restated Financial Statement | 865.52 | 123.17 | 63.60 | 29.52 |

**4. Net Tangible Assets of Rs. 150.00 Lakh**

Our Net Tangible Assets as per the latest audited financial statements i.e as on December 31, 2022 is ₹ 863.23 Lakh.

5. **Track Record**

**(A) The company should have (combined) a track record of at least 3 years.**

Our Company satisfies the criteria of Track Record

(₹ in lakhs)

| Particulars | December 31, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| Net Profit as per Restated Financial Statement | 290.28 | 59.57 | 34.08 | 16.34 |

**6. The company or the firm or the firm which have been converted into the company should have combined positive cash accruals (earnings before depreciation and tax) in any of the year out of last three years and its net worth should be positive.**

The Company has positive Cash Accruals (₹ in Lacs)

| Particulars | December 31, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| Earnings before depreciation and tax | 423.81 | 90.51 | 60.56 | 28.18 |

**7. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN No: INE0OJ401014

**Company shall mandatorily have a website.**

Our Company has a live and operational website: www.urbanunited.in

**Certificate from the applicant company stating the following:**

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to BSE for listing on SME Segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE Limited ("BSE SME").

**SEBI DISCLAIMER CLAUSE**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ 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, INTERACTIVE FINANCIAL SERVICES 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 MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER INTERACTIVE FINANCIAL SERVICES LIMITED HAS FURNISHED TO STOCK**

**EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 31, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.**

**DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

"BSE Limited ("BSE") has vide its letter dated April 10, 2023, given permission to "Bizotic Commercial Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai".

**CAUTION- DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE LM**

Our Company, our directors, and the LM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website: www.urbanunited.in. or any website of any affiliate of our Company, any of the Group Companies, would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement entered into between the Underwriter, and our Company. All information shall be made available by our Company and the LM to the public and investors at large including our website: www.urbanunited.in and www.ifinservices.in would be doing so at their own risk 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 Bidding centres or elsewhere. None among our Company or any member of the Syndicate is liable for any failure in uploading the Applications due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

**DISCLAIMER IN RESPECT OF JURISDICTION**

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, any FII sub –account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad 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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**LISTING**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated April 10, 2023 for listing of equity shares on SME Platform of BSE Limited.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this 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 SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) 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 –
(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 of Companies Act, 2013"

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

**CONSENTS**

The written consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the Lead Manager to the Issue, Underwriter, Registrar to the Issue, Market Makers and Banker's to Issue and Sponsor Bank to act in their respective capacities have been obtained.
Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of filing of the Prospectus for registration with the ROC. **– NOTED FOR COMPLIANCE**

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s D G M S & Co., Chartered Accountants., Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements dated February 16, 2023 and also have agreed to provide the Statement of Tax Benefits dated May 17, 2023 which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

Further, such consents and reports have not been withdrawn up to the time of filing of this Prospectus. **–NOTED FOR COMPLIANCE**

**EXPERT OPINION**

Except for Peer Review Auditors' reports on the restated financial statements issued by M/s D G M S & Co., Chartered Accountants and Statement of Tax Benefits we have not obtained any other expert opinions.

**PREVIOUS PUBLIC OR RIGHTS ISSUE**

Company has not made any Public or Right issue during last five years.

**COMMISSION OR BROKERAGE**

We have not made any public issue in last five years. Hence, no sums have been paid or payable as Commission or Brokerage.

**COMMISSION PAYABLE TO SCSBS**

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However, in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹10 per ASBA Application Form processed by them.

**CAPITAL ISSUE DURING THE LAST THREE YEARS**

Our Company and Group Companies/Entities have not made any capital issue during the last three years.

**PERFORMANCE VIS-À-VIS objects;**

Except as stated in the chapter titled *"Capital Structure"* beginning on page 46 of this Prospectus, we have not made any previous rights and / or public issues during the last 5 years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies and Promoter Group Companies have their equity shares listed on any stock exchange.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Interactive Financial Services Ltd, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, and the website of Lead Manager at www.ifinservices.in

**Disclosure of Price Information of Past Issues Handled By Interactive Financial Services Ltd**

| Sr. No. | Issue Name | Issue Size | Issue Price | Listing date | Opening price on | +/- % change in | +/- % change in closing price, | +/- % change in closing |
|---|---|---|---|---|---|---|---|---|

| | | (Cr) | (₹) | | listing date | closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | [+/- % change in closing benchmark]- 90th calendar days from listing | price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Bhatia Colour Chem Limited (BSE SME) | 40.00 | 80 | March 24, 2022 | 40.00 | -36.50% (-0.69%) | -40.56% (-8.79%) | -30.00% (+2.68%) |
| 2. | Global Longlife Hospital and Research Ltd (BSE SME) | 49.00 | 140 | May 04, 2022 | 141.10 | -40% (+0.27%) | -43.64% (+4.39%) | -47.00% (+9.12%) |
| 3. | Rachana Infrastructure Ltd (NSE EMERGE) | 76.28 | 135 | June 10, 2022 | 138.00 | +62.44% (+0.09%) | +250.04% (+8.78%) | +716.59% (+16.17) |
| 4. | Dipna Pharmachem Limited (BSE SME) | 15.21 | 38 | September 08, 2022 | 32.00 | -41.05% -2.51% | -44.74% (+4.92%) | -61.97% (+0.90%) |
| 5. | Pace E-Commerce Ventures Limited (BSE SME) | 66.53 | 103 | October 20, 2022 | 104.50 | -61.99% (+4.16%) | -72.91% (+2.45%) | -77.89% (+1.20%) |
| 6. | Patron Exim Limted (BSE SME) | 16.68 | 27 | March 06, 2023 | 28.40 | -73.30% (-1.89%) | - | - |
| 7. | Prospect Commodities Limited (BSE SME) | 7.47 | 61 | March 20, 2023 | 61.00 | 11.89% (+3.64%) | - | - |

Sources: Share price data is from www.bseindia.com and www.nseindia.com

**Note:**

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE /NSE are considered for all of the above calculations
3. In case 30th/90th/180th day are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

**SUMMARY STATEMENT OF DISCLOSURE**

| Financial year | Total no. | Total funds | Nos of IPOs trading at discount on 30th | Nos of IPOs trading at premium or | Nos of IPOs trading at discount or | Nos of IPOs trading at premium or |
|---|---|---|---|---|---|---|

| | of IPO | Raised (₹ Cr) | Calendar Day from listing date | | | 30th Calendar day from listing date | | | 180th Calendar day from listing date | | | 180th Calendar day from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less Than 25% |
| 2021-22 | 1 | 40.00 | NA | 1 | NA | NA | NA | NA | 1 | 1 | NA | NA | NA | NA |
| 2022-23 | 6 | 231.17 | 2 | 2 | NA | 1 | NA | 1 | 1 | 1 | NA | 1 | NA | NA |

**Track Record of past issues handled by Interactive Financial Services Limited**

For details regarding track record of the Lead Manager to the Offer 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 Lead Manager at: www.ifinservices.in.

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

**DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

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 Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on December 31, 2022. For further details, please refer the chapter titled *"Our Management"* on page 93 of Prospectus.

Our Company has also appointed Shivani Vyas, the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

**Company Secretary and Compliance Officer**
**Shivani Vyas**
**Bizotic Commercial Limited**
**Registered Office:** D-8 Samet Business Park,
Nr. Khokra Circle, Khokra
Ahmedabad GJ 380008, India.
**Mobile No:** +91 79849 71501
**Website**: www. urbanunited.in
**E-mail**: bizoticcommercialindia@gmail.com

## TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the ROC and/or any other authorities while granting its approval for the Offer to the extent applicable.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified though its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the "UPI Circular") in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 ("UPI Phase II"). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

**Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank Pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled "Main Provisions of the Articles of Association of our Company" beginning on page 211 of this Prospectus.

**Authority for the Present Issue**

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 31, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on January 25, 2023 pursuant to section 62(1)(c) of the Companies Act.

**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 approved by 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 no 105 and 211 respectively of this Prospectus.

**Face Value and Issue Price**

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 175 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page 61 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares. At any given point of time there shall be only one (1) denomination of Equity Shares of our Company, subject to applicable law.

**Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

**Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Articles of Association" beginning on page 211 of the Prospectus.

**Minimum Application Value; Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 800 Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 800 Equity Share subject to a minimum allotment of 800 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) 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.

**Minimum Number of Allottees**

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within four (4) Working days of closure of Issue. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under

applicable laws to the extent applicable and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

**Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S Securities Act and referred to in this Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) 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 Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, 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/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

(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 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 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 Operation of Subscription List of Public Offer**

| | |
|---|---|
| ISSUE OPENS ON | June 12, 2023 (Monday) |
| ISSUE CLOSES ON | June 15, 2023 (Thursday) |

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266(3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of sub-regulation 266(1).*

In terms of the UPI Circulars, in relation to the Offer, the Lead Manager will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Issuer shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of

(i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.

(ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;

(iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;

(iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Prospectus may result in changes in the timelines.

**Submission of Application Forms:**

| Issue period (except the Issue Closing Date) | |
|---|---|
| Submission and Revision of Application Form | Only between 10.00 a.m. and 5.00 p.m. IST |
| **Issue Closing Date** | |
| Submission and Revision of Application Form | Only between 10.00 a.m. and 3.00 p.m. IST |

*On the **Issue Closing Date**, for uploading the Application Forms:*

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 03.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from SME Platform of BSE may be taken as the final data for the purpose of Allotment.

**Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a).

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

**Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 800 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

**Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank 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. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus.

**Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 46 of the Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 211 of the Prospectus.

**Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

a) If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

**OR**

b) If the Paid-up Capital of our company is more than ₹ 10 crores and the capitalization of our equity is more than ₹25 crores and our company have been listed on SME Platform for at least two years, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

**Market Making**

The shares offered though this issue is proposed to be listed on the SME Platform of BSE Limited (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three years from the date of listing of shares offered though this Prospectus.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "General Information" beginning on page 37 of the Prospectus.

**New Financial Instruments**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

**Allotment of Equity Shares in Dematerialized Form**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Prospectus:

- Tripartite agreement dated January 20, 2023 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated January 16, 2023 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

**Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**As per the extant policy of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs 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.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to 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 SME platform of BSE Limited "BSE SME"). 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 172 and 181 respectively of this Prospectus.

Public Issue of 24,12,000 Equity Shares of Face Value of ₹ 10.00/- each fully paid (The "Equity Shares") for cash at a price of ₹ 175.00/- per Equity Shares (including a premium of ₹165/- per equity share) aggregating to ₹ 4,221.00 lacs ("the Issue") by our Company.

| Particulars | Net Issue to Public | Market Maker reservation portion |
|---|---|---|
| **Number of Equity Shares** | 22,91,200* Equity Shares | 1,20,800 Equity Shares |
| **Percentage of Issue Size available for allocation** | 94.99% of the Issue Size.<br><br>28.50% of the Post Issue Paid up capital | 5.01 % of the Issue Size<br><br>1.50 % of the Post Issue Paid up capital |
| **Basis of Allotment/ Allocation if respective category is oversubscribed** | Proportionate subject to minimum allotment of 800 Equity Shares and Further allotment in multiples of 800 Equity Shares each.<br>For further details, please refer to the section titled *"Issue Procedure*" on page 181 of this Prospectus. | Firm Allotment |
| **Mode of Application** | Retail Individual Investors may apply through UPI Payment Mechanism.<br>All other applicants and Retail Individual Investors (whose bank do not provide UPI Payment facility) shall apply through ASBA Only. | Through ASBA mode Only. |
| **Minimum Application Size** | ***For QIB and NII:***<br>Such number of Equity Shares in multiples of 800 Equity Shares such that the Application Value exceeds ₹ 2,00,000.<br>***For Retail Individuals:***<br>Such number of equity shares where application size is of at least 800 Equity Shares. | 1,20,800 Equity Shares |
| **Maximum Bid** | ***For QIB and NII:***<br>Such number of Equity Shares in multiples of 800 Equity Shares such that the Application Size does not exceed 22,91,200 Equity Shares subject to adhere under the relevant laws and regulations as applicable.<br>***For Retail Individuals:***<br>Such number of Equity Shares so that the Application Value does not exceed ₹ 2,00,000 | 1,20,800 Equity Shares |
| **Mode of Allotment** | Compulsorily in dematerialized mode | Compulsorily in dematerialized mode |
| **Trading Lot** | 800 Equity Shares | 800 Equity Shares, However the Market Maker may accept odd lots if any in the market as |

| Particulars | Net Issue to Public | Market Maker reservation portion |
|---|---|---|
| | | required under the SEBI (ICDR) Regulations, 2018. |
| **Terms of payment** | In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant. | |

**50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹2,00,000 and the balance 50% of the shares are available for applications whose value is above ₹2,00,000.*

***Note:***

1. *In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.*
2. *Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
3. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, please refer chapter titled *"Issue Procedure"* beginning on page 181 of this Prospectus.

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015,the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (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. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants 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 Applicants; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company, and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

Pursuant to the SEBI ICDR Regulations,2018 the ASBA process is mandatory for all investors excluding Anchor Investors and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 ("UPI Circular") in addition to ASBA Process has introduce an alternate payment mechanism using Unified Payments Interface ("UPI"), consequent reduction in timelines for listing in a phased manner. Further, SEBI vide its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 has notified Phase II for detail implementation refers below "Phased implementation of Unified Payments Interface". Applicants applying through the ASBA process or UPI Mechanism should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs hence applicant shall ensure that ASBA Bank Account has sufficient Balance.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

**Phased implementation of Unified Payments Interface**

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 RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the 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 is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII 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 has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public Issue closure to listing is proposed to be reduced to three working days.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

**Fixed Price Issue Procedure**

The offer is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications

at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. Applicants will not have the option of getting allotment of the Equity Shares in physical form.** However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.

**Availability of Prospectus and Application Forms**

Copies of the Application Form and the Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|---|---|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)** | White* |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)** | Blue* |

*Excluding electronic Application Form.
**Application Forms will also be available on the website of the BSE (www.bseindia.com). Same Application

Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock

Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

**Submission and Acceptance of Application Form**

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries").

| Sr No. | Designated Intermediaries |
|---|---|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker") |
| 4. | A depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5. | 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) |

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

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 exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| **For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:** | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| **For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:** | After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).<br>Stock Exchange shall share bid 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(s) 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.

**Who can apply?**

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Mutual Funds registered with SEBI;
- VCFs registered with SEBI;
- FVCIs registered with SEBI;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
- Nominated Investor and Market Maker
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Overseas Corporate Bodies

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S Securities Act and referred to in this Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Participation by associates/affiliates of Lead Manager**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including

associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

**Option to Subscribe to the Issue**

1. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only.Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.

2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

**Application By HUF**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals

**Application by Mutual Funds**

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the 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

**Application by Indian Public including eligible NRIs applying on non-Repatriation**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

**Application by Eligible NRIs/FII's on Repatriation Basis**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying 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 Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme("**PIS**") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

**Application by FPIs**

In terms of the 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) is not permitted to exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any 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. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

**Application by SEBI registered VCFs, AIFs and FVCIs**

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) 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, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in 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 SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations 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 SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.
Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

**Application by provident funds/ pension funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their application, without assigning any reason thereof

**Application by limited liability partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

**Application by Banking Companies**

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

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 Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

**Application by Insurance Companies**

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India Investment) Regulations, 2016 ("IRDA Investment Regulations").

**Application by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

**Application by Systemically Important Non-Banking Financial Companies**

In case of Application 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 Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

**Application under Power of Attorney**

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their application 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:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications 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 Application Form.
- With respect to Applications 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 Application Form.
- With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of

the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

**Application by OCBs**

In accordance with RBI regulations, OCBs cannot participate in this Issue.

**Maximum and Minimum Application Size**

1. **For Retails Individual Applicants**

The Application must be for a minimum of 800 Equity Shares and in multiples of 800 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000**.**

2. **For Other than Retail Individual Investors (Non-Institutional Investors 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 800 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations**

**ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

**ASBA Process**

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

**APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER /SCSBS /REGISTRAR AND SHARE TRANSFER AGENTS /DEPOSITORY PARTICIPANTS /STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.**

**Who can apply?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

**Mode of Payment**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

**Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

**Terms of payment**

The entire Issue price of ₹175 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

**Payment Mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

**PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

**Who can apply through UPI Mode:**

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

**Process**

**Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website:** www.sebi.gov.in**.**

**Blocking of Funds:**

a) Investors shall create UPI ID
b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission

e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

**Unblocking of Funds:**

a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

**Rejection grounds under UPI Payment Mechanism**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account

**List of Banks providing UPI facility**

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.

**Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

**Electronic Registration of Applications**

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:

    1. Name of the Applicant;
    2. IPO Name;
    3. Application Form number;
    4. Investor Category;
    5. PAN (of First Applicant, if more than one Applicant);
    6. DP ID of the demat account of the Applicant;
    7. Client Identification Number of the demat account of the Applicant;
    8. UPI ID (RIIs applying through UPI Mechanism)
    9. Numbers of Equity Shares Applied for;
    10. Location 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
    11. Bank account number
    12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.

7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should

not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our 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 Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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.

**Withdrawal of Applications**

RIIs can withdraw their applications until Issue Closing Date. In case a RIIs wishes to withdraw the applications during the 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 or Sponsor Bank in the ASBA Account.

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.

**Signing of Underwriting Agreement**

The issue is 100% Underwritten. For further details please refer to Section titled "General Information" on page 37 of this Prospectus.

**Filing of the Offer Document with the ROC**

For filing details, please refer Chapter titled "General Information" beginning on page 37 of this Prospectus.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI 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 registered office of the Company is situated.

**Price Discovery &Allocation of Equity shares**

a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
e) Allotment status details shall be available on the website of the Registrar to the Issue.

**Issuance of Allotment Advice**

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.

**1.** The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

**2.** **Issuer will that:**
**(i)** the allotment of the equity shares; and
(ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**3.** The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

**Issuance of Confirmation Allocation Note ("CAN")**

a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.

b) In the event that the Offer Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Offer Price and the 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 Investors.

c) In the event the Offer Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**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.

**General Instructions**

Applicants are requested to note the additional instructions provided below.

**Do's:**

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic forms. Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;

5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
6. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI- linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your application;
9. Ensure that you request for and receive a stamped acknowledgement of your application;
10. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the central or the state government and officials appointed by the courts and for Applicants 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 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;
16. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
20. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
22. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA

Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;

23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 200,000;
8. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of 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 Prospectus;
9. Do not submit the General Index Register number instead of the PAN;
10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
14. If you are a QIB, do not submit your application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your application after 3.00 pm on the Issue Closing Date;
16. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an application 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 Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;

20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

**The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

**Instructions for completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

**Applicant's Depository Account and Bank Details**

**Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

**Other Instructions**

**Joint Applications in the case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

**Multiple Applications**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

i. All applications are electronically strung on first name, address (1st line) and applicant 's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.

ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

**Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected.

It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

**RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

**Grounds for Technical Rejections**

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
b. 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;
c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
d. PAN not mentioned in the Application Form;
e. GIR number furnished instead of PAN;
f. Applications for lower number of Equity Shares than specified for that category of investors;
g. Applications at a price other than the Fixed Price of the Issue;
h. Applications for number of Equity Shares which are not in multiples as stated in the chapter titled "Issue Structure";
i. Category not ticked;
j. Multiple Applications as defined in the Prospectus;
k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
m. Signature of sole Applicant is missing;
n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
q. Applications by OCBs;
r. Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
s. Applications not duly signed;
t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2,00,000, received after 3.00 pm on the Issue Closing Date;
y. Applications not containing the details of Bank Account and/or Depositories Account.

z. Applications under the UPI Mechanism submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI.

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) a tripartite agreement dated January 16, 2023 with NSDL, our Company and Registrar to the Issue;

b) a tripartite agreement dated January 20, 2023 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE0OJ401014

a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.

b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.

c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).

d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.

g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

h) The trading of the Equity Shares of our Company would be only in dematerialized form.

**Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**

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| **BIZOTIC COMMERCIAL LIMITED**<br>**Shivani Vyas**<br>**Company Secretary and Compliance Officer**<br>**Address:** D-8 Samet Business Park, Nr. Khokra Circle, Khokra, Ahmedabad, GJ 380008, India.<br>**Mobile No:** +91 7984971501<br>**Website:** www. urbanunited.in<br>**E-mail:** bizoticcommercialindia@gmail.com | **Bigshare Services Private Limited**<br>**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093<br>**Tel No:** +91 22-62638200<br>**Fax No** +91 22-62638299<br>**Website:** www.bigshareonline.com<br>**E-Mail:** ipo@bigshareonline.com<br>**Contact Person:** Sagar Pathare<br>**SEBI Reg.** No.: INR000001385 |

**Disposal of Applications**

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 4 Working Days from the Bid/Offer Closing Date.

**Impersonation**

Attention of the Applicant 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".

Section 447 of Companies Act, 2013 deals with 'Fraud' and prescribed a punishment of "imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud".

**Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

**AT PAR FACILITY**

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that "at par" facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

**Grounds for Refund**

**Non-Receipt of Listing Permission**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of forth days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

**Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond four days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

**Minimum Number of Allottees**

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

**Mode of Refunds**

a) **In case of ASBA Bids:** Within 6 (six) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.

b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

c) **In case of Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the

Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

**Mode of making refunds for Applicants other than ASBA Applicants**

The payment of refund, if any, may be done through various modes as mentioned below:

(i) **NECS -** Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;

(ii) **NEFT -** Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) **Direct Credit -** Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) **RTGS -** Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and

(v) Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Prospectus.

**INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

**Completion of Formalities for listing & Commencement of Trading**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

**BASIS OF ALLOTMENT**

Allotment will be made in consultation with Stock Exchange (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than 800 equity shares the allotment will be made as follows:

    a. Each successful applicant shall be allotted 800 equity shares; and

    b. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 800 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 800 equity shares subject to a minimum allotment of 800 equity shares.

5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 800 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 offer specified under the Capital Structure mentioned in the Prospectus.

6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

    a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

    b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

    c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' of this Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

**Basis of Allotment in the event of Under subscription**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size which shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

**Undertaking by our Company**

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within fifteen (15) days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period
10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

**Utilization of Issue Proceeds**

Our Board 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 shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
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.

## 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, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

**Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, 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 Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. 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 recognized 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 Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. 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, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by 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.**

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 the Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OFASSOCIATION

## MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF BIZOTIC COMMERCIAL LIMITED

| Title of Article | Article Number | Content |
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| **PRELIMINARY AND INTERPRETATION** | 1. | The Regulations contained in Table "F" in Schedule I of the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. |
| | | (a) The marginal notes used in these Articles shall not affect the construction thereof.<br>(b) In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context<br>"**Act**" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the Companies Act 1956, so far as may be applicable.<br>"**Articles**" means these articles of association of the Company or as altered from time to time.<br>"**Board of Directors**" or "Board" means collective body of Directors of the Company.<br>"**Company**" means **BIZOTIC COMMERCIAL LIMITED**<br>"**Depository**" means and includes a Company as defined in the Depositories Act 1996.<br>"**Rules**" means the applicable rule for the time being in force as prescribed in relevant sections of the Act.<br>"**Seal**" means Common Seal of the Company.<br>"**Secretarial Standards**" means standards provided by the Institute of Companies Secretaries of India.<br>"**Securities**" means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act 1956.<br>(c) Words importing the masculine gender also include, where the context requires or admits, the feminine and neuter gender.<br>(d) Words importing the singular number also include, where the context requires or admits, the plural number and vice-versa.<br>(e) Unless the context otherwise requires, words or expression contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be. |
| **SHARE CAPITAL AND VARIATION OF RIGHTS** | 2. | 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 par or at a premium or at consideration otherwise than in cash and at such time as they may from time to time think fit. The Company may issue equity with voting rights and/or with differential rights as to dividend, voting or otherwise in accordance with the Rules and preference shares. |
| | 3. | (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months 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 provide,<br>(a) one certificate for all his shares without payment of any charges;<br>or<br>(b) several certificates, each for one or more of his shares, upon payment of such sum as may be prescribed for each certificate after the first.<br>(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.<br>(iii) 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 |

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| | | to one of several joint holders shall be sufficient delivery to all such holders. |
| | 4. | Every holder of or subscriber to Securities of the Company shall have the option to receive security certificates or to hold the Securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any Securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities. |
| | 5. | (i) 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 indemnity or such other documents as may be prescribed by the Board, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.<br>(ii) The provisions of the foregoing article relating to issue of certificates shall mutatis mutandis apply to debentures or other securities of the company. |
| | 6. | 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. |
| | 7. | (i) The company may exercise the powers of paying commissions conferred under the Act, 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 under the Act and rules made thereunder.<br>(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the Act.<br>(iii) 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. |
| | 8. | (i) The company may exercise the powers of paying commissions conferred under the Act, 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 under the Act and rules made thereunder.<br>(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the Act.<br>(iii) 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. |
| | 9. | 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. |
| | 10. | Subject to the provisions of the Act, any preference shares may be issued on the terms that they are to be redeemed or converted into equity shares on such terms and in such manner as the company before the issue of the shares may, determine. |
| | 11. | The Board or the Company as the case may be, may, by way of right issue or preferential offer or private placement or any other manner, subject to and in accordance with Act and the Rules, issue further securities to;<br>(a) persons who, at the date of the offer, are holders of equity shares of the Company. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of other person or;<br>(b) employees under the employees' stock option or;<br>(c) any person whether or not those persons include the persons referred to in clause (a) or clause (b) above; |

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| **LIEN** | 12. | (i) The company shall have a first and paramount lien—<br>(a) 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<br>(b) 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:<br>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.<br>(ii) 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. |
| | **13.** | The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:<br>Provided that no sale shall be made—<br>(a) unless a sum in respect of which the lien exists is presently payable;<br>or<br>(b) 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. |
| | 14. | (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.<br>(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.<br>(iii) 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. |
| | 15. | (i) 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.<br>(ii) 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.<br>The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other Securities including debentures of the Company. |
| **CALLS ON SHARES** | 16. | (i) 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:<br>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.<br>(ii) 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.<br>(iii) A call may be revoked or postponed at the discretion of the Board. |
| | 17. | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments. |
| | 18. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. |
| | 19. | (i) 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.<br>(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part. |

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| | 20. | (i) 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.<br>(ii) 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. |
| | 21. | The Board—<br>(a) 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<br>(b) 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** | 22. | (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.<br>(ii) 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. |
| | 23. | The Board may, subject to the right of appeal conferred by the Act decline to register—<br>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or<br>(b) any transfer of shares on which the company has a lien. |
| | 24. | The Board may decline to recognise any instrument of transfer unless—<br>(a) the instrument of transfer is in the form as prescribed in rules made under the Act;<br>(b) 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<br>(c) the instrument of transfer is in respect of only one class of shares. |
| | 25. | On giving not less than seven days' previous notice in accordance with the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:<br>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. |
| | 26. | The provision of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company. |
| **TRANSMISSION OF SHARES** | 27. | (i) 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.<br>(ii) 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. |
| | 28. | (i) 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—<br>(a) to be registered himself as holder of the share; or<br>(b) to make such transfer of the share as the deceased or insolvent member could have made.<br>(ii) 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. |
| | 29. | (i) 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.<br>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by |

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| | | executing a transfer of the share.<br>(iii) 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. |
| | 30. | 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:<br>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. |
| | 31. | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the company and the company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the company, but the company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto it the Directors shall so think fit. |
| **FOREFEITURE OF SHARES** | 32. | 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. |
| | 33. | The notice aforesaid shall—<br>(a) 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<br>(b) 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. |
| | 34. | 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. |
| | 35. | (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.<br>(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. |
| | 36. | (i) 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.<br>(ii) 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. |
| | 37. | (i) 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 |

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| | | 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;<br>(ii) 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 infavour of the person to whom the share is sold or disposed of;<br>(iii) The transferee shall thereupon be registered as the holder of the share;<br>and<br>(iv) 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. |
| | 38. | 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** | 39. | Subject to provisions of the Act the company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. |
| | 40. | Subject to the provisions of the Act , the company may, from time to time,—<br>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;<br>(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;<br>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;<br>(d) 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. |
| | 41. | Where shares are converted into stock,—<br>(a) 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:<br>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.<br>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, 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.<br>(c) 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. |
| | 42. | The company may, subject to provisions of the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—<br>(a) its share capital;<br>(b) any capital redemption reserve account; or<br>(c) any share premium account.<br>(d) any other reserve in the nature of share capital |
| **CAPITALISATION OF PROFITS** | 43. | (i) The company in general meeting may, upon the recommendation of the Board, resolve—<br>(a) 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<br>(b) that such sum be accordingly set free for distribution in the manner specified in |

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| | | clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.<br>(ii) 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—<br>(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;<br>(b) 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;<br>(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);<br>(iii) 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;<br>(iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation. |
| | 44. | (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—<br>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and<br>(b) generally do all acts and things required to give effect thereto.<br>(ii) The Board shall have power—<br>(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<br>(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;<br>(iii) Any agreement made under such authority shall be effective and binding on such members. |
| **BUY-BACK OF SHARES** | 45. | Notwithstanding anything contained in these articles but subject to the provisions 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** | 46. | All General Meetings other than Annual General Meeting shall be called Extra ordinary General Meeting. |
| | 47. | The Board may, whenever it thinks fit, call an Extra ordinary General Meeting. |
| **PROCEEDINGS AT GENERAL MEETINGS** | 48. | (i) 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.<br>(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act. |
| | 49. | The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. |
| | 50. | 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. |
| | 51. | 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. |
| | 52. | On any business at any general meeting in the case of an equality of votes, whether on a show of hands, electronically or on a poll, the Chairman of the meeting shall have second or casting vote. |

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| **ADJOURNMENT OF MEETING** | 53. | (i) The Chairperson may, suomoto and, in the absence of quorum shall adjourn the meeting from time to time and from place to place.<br>(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>(iii) 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.<br>(iv) Save as aforesaid, and as provided in 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** | 54. | Subject to any rights or restrictions for the time being attached to any class or classes of shares,—<br>(a) on a show of hands, every member present in person shall have one vote; and<br>(b) on a poll or through voting by electronic means, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. |
| | 55. | A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once. |
| | 56. | (i) 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.<br>(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. |
| | 57. | 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 or through voting by electronic means, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy. |
| | 58. | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. |
| | 59. | 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. |
| | 60. | (i) 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.<br>(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. |
| **PROXY** | 61. | 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 taking of the poll; and in default the instrument of proxy shall not be treated as valid. |
| | 62. | An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act. |
| | 63. | 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:<br>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** | 64. | (i) Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three nor more than fifteen.<br>(ii) The following shall be the first Directors of the Company:<br>1. Sangita Annmol Aggarwala (DIN: 07543901) |

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| | | 2. Sanjay Gupta Mahavirprasad (DIN: 07610448) |
| | 65. | Subject to provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. |
| | 66. | The same individual may, at the same time, be appointed as Chairman as well as Managing Director or Chief Executive Officer of the Company. |
| | 67. | (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.<br>(ii) 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—<br>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or<br>(b) in connection with the business of the company. |
| | 68. | The company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of under the Act) make and vary such regulations as it may thinks fit respecting the keeping of any such register. |
| | 69. | 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. |
| | 70. | Every director present at any meeting of the Board or of a committee thereof shall sign against his name in a book to be kept for that purpose. |
| | 71. | (i) Subject to the provisions of the Act, 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.<br>(ii) 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. |
| | 72. | (i) The Board may appoint an Alternate Director to act for a Director (herein after in this Article called "the Original Director") during his absence for a period not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.<br>(ii) An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when Original Director returns to India.<br>(iii) If the term of office of the Original Director is determined before he return to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not the Alternate Director. |
| | 73. | (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.<br>(ii) The Director so appointed shall hold office only upto the date till which the Director in whose place he is appointed would have held office if it had not been vacated. |
| **NOMINEE DIRECTOR** | 74. | Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to the any financial institutions, corporations, banks or such other financing entities, or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid financial institutions or such other financing entities in respect of any financial obligation or commitment of the Company remains outstanding, then in that event any |

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| | | of the said financial institutions or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Director as their nominee on the Board of Company. The aforesaid financial institutions or such other financing entities may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant corporation and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he is a member and he and the financial institutions or such other financing entities appointing him shall also be entitled to receive notice of all such meetings. |
| **MANAGEMENT UNDER GENERAL CONTROL OF DIRECTORS** | 75. | (i) The general control, management and supervision of the Company shall vest in the Board and the Board may exercise all such powers and do all such acts and things as the Company is by its Memorandum of Association or otherwise authorised except as are required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act, and of these presents and to any regulations not being inconsistent with these presents from time to time made by the Company in General Meeting, provided that no such regulation shall invalidate any prior acts of the Directors which would have been valid if such regulation had not been made.<br>(ii) Subject to the provisions of the Act, the Director may borrow, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by the issue of bonds, perpetual or redeemable, debenture or debenture-stock or any mortgage or charge or other security on the undertaking of the whole of any part of the property of the Company (both present and future) including its uncalled capital for the time being.<br>(iii) Subject to the provisions of the Act, the Company may enter into any contract, arrangement or agreement in which a Director or Directors of the Company are, in any manner, interested.<br>(iv) A Director, Managing Director, officer or employee of the Company may be or become a Director, of any company promoted by the Company or in which it may be interested as a vendor, member or otherwise, and no such Director shall be accountable for any benefits received as Director or member of such company except to the extent and under the circumstances as may be provided in the Act.<br>(v) If the Directors or any of them or any other person, shall become personally liable for the payment of sum primarily due from the Company, the Board may subject to the provisions of the Act execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.<br>(vi) A Director may resign from him office upon giving notice in writing to the Company. |
| **PROCEEDINGS OF THE BOARD** | 76. | (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.<br>(ii) A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. |
| | 77. | (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.<br>(ii) In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote. |
| | 78. | 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 |

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| | | number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose. |
| | 79. | (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.<br>(ii) 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 members to be Chairperson of the meeting. |
| | 80. | (i) 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.<br>(ii) 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. |
| | 81. | (i) A committee may elect a Chairperson of its meetings.<br>(ii) 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. |
| | 82. | (i) A committee may meet and adjourn as it thinks fit.<br>(ii) 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. |
| | 83. | 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. |
| | 84. | 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, whether manually or electronically, 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. |
| **MANAGING DIRECTORS** | 85. | (i) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole Time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and condition including liability to retire by rotation, as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Whole Time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be way of monthly remuneration and/ or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.<br>(ii) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Directors" as the case may be.<br>(iii) Subject to the provisions of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in the General Meeting and of the Central Government, if required. |
| **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER** | 86. | Subject to the provisions of the Act,—<br>(i) A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;<br>(ii) A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer. |

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| | | A provision of the Act or these regulations requiring or authorizing 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** | 87. | (i) The Board shall provide for the safe custody of the seal.<br>(ii) 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 one Director or of the Manager or secretary or such other person as the Board or Committee may appoint for the purpose; and the Director or Manager or Secretary other person aforesaid shall sign every instrument to which the seal of the company is so affixed in his /her presence. |
| **DIVIDENDS AND RESERVE** | 88. | The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but the Company in a general meeting may declare a lesser dividend. |
| | 89. | Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares as appear to it to be justified by the profits of the company. |
| | 90. | (i) 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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.<br>(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. |
| | 91. | (i) 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.<br>(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.<br>(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. |
| | 92. | 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. |
| | 93. | (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.<br>(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.<br>(iii) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for any payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. |
| | 94. | Any one of two or more joint holders of a share may give effective receipts for any |

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| | | dividends, bonuses or other monies payable in respect of such share. |
| | 95. | 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. |
| | 96. | The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board. |
| | 97. | No dividend shall bear interest against the company. |
| **ACCOUNTS** | 98. | (i) The books of accounts and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules.<br>(ii) 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** | 99. | Subject to the applicable provisions of the Act and rules made thereunder—<br>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.<br>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.<br>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. |
| **INDEMNITY** | 100. | 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. |
| **GENERAL POWER** | 101. | Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any ransaction only if the Company is authorised by its Articles, then in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. |

## SECTION - X - OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at D-8 Samet Business Park, Nr. Khokra Circle, Khokra, Ahmedabad, GJ 380008 IN between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

### A. Material contracts for the Issue

1. Issue Agreement dated February 02, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated February 02, 2023 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated February 02, 2023 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated February 02, 2023 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated March 10, 2023 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated January 20, 2023 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated January 16, 2023 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

### B. Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated December 31, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated January 25, 2023 in relation to the Issue and other related matters.
4. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory & Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Banker to our Issue and Market Maker to include their names in this Prospectus and to acting their respective capacities.
5. Peer Review Auditors Report dated February 16, 2023 on Restated Financial Statements of our Company for the period ended on December 31 2022 and years ended on March 31 2022, March 31, 2021, March 31, 2020.
6. The Report dated May 17, 2023 from the Statutory Auditors of our Company, confirming the Statement of Tax Benefits available to our Company and its Shareholders as disclosed in this Prospectus.
7. Copy of Approval dated April 10, 2023 from the SME Platform of BSE (BSE SME) to use their name in the prospectus for listing of Equity Shares.
8. Agreement dated February 04, 2023 entered into by our Company with Sanjay Gupta appointment as a Managing Director of the company.
9. Due diligence certificate submitted to BSE Limited dated May 31, 2023 from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013/1956 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

**Signed by the Directors of the Company:**

| Name | Designation | Signature |
|---|---|---|
| Sanjay Gupta Mahavirprasad | Managing Director | Sd/- |
| Inderpreet Kaur Gulati | Director | Sd/- |
| Mohit Kailashchandra Agarwal | Non-Executive Director | Sd/- |
| Avani Ashwinkumar Shah | Independent Director | Sd/- |
| Haresh Kumar Shamjibhai Suthar | Independent Director | Sd/- |
| Juhi Nileshkumar Sawajani | Independent Director | Sd/- |

**Signed by:**

| Name | Designation | Signature |
|---|---|---|
| Inderpreet Kaur Gulati | Chief Financial Officer | Sd/- |
| Shivani Vyas | Company Secretary and Compliance Officer | Sd/- |

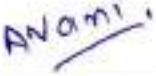
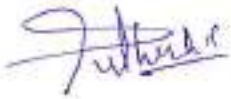
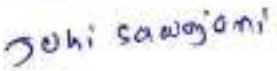
**Place: Ahmedabad**

**Date: May 31, 2023**

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013/1956 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

**Signed by the Directors of the Company:**

| Name | Designation | Signature |
|---|---|---|
| Sanjay Gupta Mahavirprasad | Managing Director |  |
| Inderpreet Kaur Gulati | Director |  |
| Mohit Kailashchandra Agarwal | Non-Executive Director |  |
| Avani Ashwinkumar Shah | Independent Director |  |
| Haresh Kumar Shamjibhai Suthar | Independent Director |  |
| Juhi Nileshkumar Sawajani | Independent Director |  |

**Signed by:**

| Name | Designation | Signature |
|---|---|---|
| Inderpreet Kaur Gulati | Chief Financial Officer |  |
| Shivani Vyas | Company Secretary and Compliance Officer |  |

**Place:** Ahmedabad
**Date:** May 31, 2023