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**AGARWAL TOUGHENED GLASS INDIA LIMITED**  
**Corporate Identification Number: U26109RJ2009PLC030153**

| Registered Office   |   | Corporate Office | Contact Person   | Email and Telephone  | Website  |
|---|---|------------------|--|--|--|
| F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India   |   | Nil              | Ms. Neha Rajendra Singh Jadoun (Company Secretary & Compliance Officer)                | <b>Email:</b><br>cs_complianceofficer@agarwaltuff.com<br><br><b>Tel No.:</b> +91 7230043212  | <a href="http://www.agarwaltuff.com">www.agarwaltuff.com</a> |
| <b>PROMOTERS OF OUR COMPANY: MRS. ANITA UMA SHANKAR AGARWAL, MR. UMA SHANKAR SANWARMAL AGARWAL AND MR. MAHESH KUMAR SANWARMAL AGARWAL</b>   |   |                  |  |  |  |
| <b>DETAILS OF ISSUE TO PUBLIC</b>   |   |                  |  |  |  |
| Type  | Fresh Issue Size  | Offer for Sale   | Total Issue Size   | Eligibility 229(1) / (2) & Share Reservation among NII & RII   |  |
| Fresh Issue   | 50,40,000 Equity Shares at the Issue Price of Rs. 96 each aggregating Rs 4838.40 Lakhs      | Nil              | 50,40,000 Equity Shares at the Issue Price of Rs. 96 each aggregating Rs 4838.40 Lakhs | This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is more than Rs. 10.00 Cr. |  |
| <b>RISKS IN RELATION TO THE FIRST ISSUE</b>   |   |                  |  |  |  |
| This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price of Rs. 96 is 9.60 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 78 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.                         |   |                  |  |  |  |
| <b>GENERAL RISK</b>   |   |                  |  |  |  |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to ' <b>Risk Factors</b> ' on page 22 of this Draft Prospectus. |   |                  |  |  |  |
| <b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>   |   |                  |  |  |  |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.   |   |                  |  |  |  |
| <b>LISTING</b>  |   |                  |  |  |  |
| The Equity Shares offered through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("Emerge Platform of NSE"). For the purpose of the Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").  |   |                  |  |  |  |
| <b>LEAD MANAGER TO THE ISSUE</b>  |   |                  | <b>REGISTRAR TO THE ISSUE</b>  |  |  |
|    |   |                  |    |  |  |
| <b>Name of the Lead Manager to the Issue</b>  | <b>Name of Contact Person:</b> Mr. Satish Sheth   |                  | <b>Name of the Registrar to the Issue</b>  | <b>Name of Contact Person</b> Mr. M Murali Krishna   |  |
| <b>FIRST OVERSEAS CAPITAL LIMITED</b>   | <b>Tel No.:</b> +91 22 40509999<br><b>Email:</b> <a href="mailto:mb@focl.in">mb@focl.in</a> |                  | <b>KFIN TECHNOLOGIES LIMITED</b>   | <b>Tel No.:</b> +91 40 6716 2222<br><b>E-mail:</b> <a href="mailto:atgil.ipo@kfintech.com">atgil.ipo@kfintech.com</a>  |  |
| <b>ISSUE PROGRAMME</b>  |   |                  |  |  |  |
| <b>ISSUE OPENS ON:</b> [●]  |   |                  | <b>ISSUE CLOSES ON:</b> [●]  |  |  |



## AGARWAL TOUGHENED GLASS INDIA LIMITED

**Corporate Identification Number: U26109RJ2009PLC030153**

Our Company was incorporated as “Agarwal Toughened Glass India Private Limited”, Company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 30, 2009, issued by the Registrar of Companies, Jaipur, Rajasthan, India. Subsequently, our company was converted into Public Limited Company and the name of the Company was changed from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on January 30, 2023, and had received Certificate of Incorporation dated March 06, 2023, issued by the Registrar of Companies, Jaipur, Rajasthan, India. For details pertaining to the changes of name of our company and change in the registered office, please refer to the chapter titled ‘History and Certain Corporate Matters’ beginning on page no. 132 of this Draft Prospectus.

**Registered Office:** F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India; **Tel. No.:** +91 7230043212; **Email:** cs\_complianceofficer@agarwaltuff.com; **Website:** [www.agarwaltuff.com](http://www.agarwaltuff.com); **Contact Person:** Ms. Neha Rajendra Singh Jadoun, Company Secretary & Compliance Officer

|  |  |   |
|--|--|---|
| <b>PROMOTERS OF OUR COMPANY: MRS. ANITA UMA SHANKAR AGARWAL, MR. UMA SHANKAR SANWARMAL AGARWAL AND MR. MAHESH KUMAR SANWARMAL AGARWAL</b>  |  |   |
| INITIAL PUBLIC ISSUE OF 50,40,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (“EQUITY SHARES”) OF AGARWAL TOUGHENED GLASS INDIA LIMITED (“OUR COMPANY” OR “THE ISSUER COMPANY”) FOR CASH AT A PRICE RS. 96/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 86/- PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO RS. 4838.40 LAKHS (“THE ISSUE”), OUT OF WHICH 2,52,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR A CASH PRICE OF RS. 96/- PER EQUITY SHARE, AGGREGATING TO RS. 241.92 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 47,88,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 96/- PER EQUITY SHARE AGGREGATING TO RS. 4596.48 LAKHS (IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.80 %AND 28.31 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 232 OF THIS DRAFT PROSPECTUS. |  |   |
| THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE “ISSUE PROCEDURE” ON PAGE 237 OF THE DRAFT PROSPECTUS.   |  |   |
| All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 32 of the Companies Act, 2013. For details in this regards, specific attention is invited to “Issue Procedure” on page 237. A copy of the Prospectus will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.   |  |   |
| <b>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10.00 EACH AND THE ISSUE PRICE OF RS. 96.00 IS 9.6 TIMES OF THE FACE VALUE</b>   |  |   |
| <b>RISKS IN RELATION TO THE FIRST ISSUE</b>  |  |   |
| This being the first issue of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10.00. The Issue Price should not be taken to be indicative of the market price of the Equity Shares after such 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.  |  |   |
| <b>GENERAL RISK</b>  |  |   |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the statement of ‘Risk Factors’ given on page 22 under the section ‘General Risks’.   |  |   |
| <b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>  |  |   |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.  |  |   |
| <b>LISTING</b>   |  |   |
| The Equity Shares offered through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“Emerge Platform of NSE”). 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 [●] from National Stock Exchange of India Limited (“NSE”) for using its name in the offer document for listing of our shares on the Emerge Platform of NSE. For the purpose of the Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (“NSE”). A copy of Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of Companies Act, 2013.  |  |   |
| <b>LEAD MANAGER TO THE ISSUE</b>   |  | <b>REGISTRAR TO THE ISSUE</b>   |
|  | <b>FIRST OVERSEAS CAPITAL LIMITED</b><br>1-2 Bhupen Chambers, Dalal Street, Fountain,<br>Mumbai – 400 001, Maharashtra, India<br><b>Tel No.:</b> +91 22 4050 9999<br><b>Email:</b> <a href="mailto:mb@focl.in">mb@focl.in</a><br><b>Investor Grievance</b><br><a href="mailto:investorcomplaints@focl.in">investorcomplaints@focl.in</a><br><b>Website:</b> <a href="http://www.focl.in">www.focl.in</a><br><b>Contact Person:</b> Mr. Satish Sheth<br><b>SEBI Registration No:</b> INM000003671 | <b>KFIN TECHNOLOGIES LIMITED</b><br>Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial<br>District, Nanakramguda, Serilingampally, Hyderabad - 500<br>032 Telangana, India<br><b>Tel. No.:</b> +91 40 6716 2222<br><b>Email:</b> <a href="mailto:atgil ipo@kfintech.com">atgil ipo@kfintech.com</a><br><b>Investor Grievance Email:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a><br><b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a><br><b>Contact Person:</b> Mr. M Murali Krishna<br><b>SEBI Registration No.:</b> INR0000000221 |
|  |  |   |
| <b>ISSUE PROGRAMME</b>   |  |   |
| <b>ISSUE OPENS ON: [●]</b>   |  | <b>ISSUE CLOSES ON: [●]</b>   |

|  |            |
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| <b>CONTENTS</b>  |            |
| <b>SECTION I – GENERAL</b>   | <b>1</b>   |
| DEFINITIONS AND ABBREVIATIONS  | 1          |
| PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA                                    | 13         |
| FORWARD LOOKING STATEMENT  | 14         |
| <b>SECTION II – SUMMARY OF THE ISSUE DOCUMENT</b>                                      | <b>15</b>  |
| <b>SECTION III – RISK FACTORS</b>  | <b>22</b>  |
| <b>SECTION IV – INTRODUCTION</b>   | <b>41</b>  |
| THE ISSUE  | 41         |
| SUMMARY OF FINANCIAL INFORMATION   | 42         |
| <b>SECTION V- GENERAL INFORMATION</b>  | <b>46</b>  |
| <b>SECTION VI- CAPITAL STRUCTURE</b>   | <b>56</b>  |
| <b>SECTION VII – PARTICULARS OF THE ISSUE</b>  | <b>70</b>  |
| OBJECTS OF THE ISSUE   | 70         |
| BASIS OF ISSUE PRICE   | 78         |
| STATEMENT OF TAX BENEFIT   | 83         |
| <b>SECTION VIII – ABOUT US</b>   | <b>86</b>  |
| INDUSTRY OVERVIEW  | 86         |
| BUSINESS OVERVIEW  | 97         |
| KEY INDUSTRY REGULATIONS AND POLICIES  | 122        |
| HISTORY AND CERTAIN CORPORATE MATTERS  | 132        |
| OUR MANAGEMENT   | 137        |
| OUR PROMOTER AND PROMOTER GROUP  | 151        |
| OUR GROUP COMPANIES/ ENTITIES  | 157        |
| RELATED PARTY TRANSACTIONS   | 160        |
| DIVIDEND POLICY  | 161        |
| <b>SECTION IX - FINANCIAL STATEMENTS</b>   | <b>162</b> |
| RESTATED FINANCIALS INFORMATION  | 162        |
| MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS | 201        |
| STATEMENT OF FINANCIAL INDEBTEDNESS  | 210        |
| <b>SECTION X- LEGAL AND OTHER INFORMATION</b>  | <b>211</b> |
| OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS                                      | 211        |
| GOVERNMENT AND OTHER APPROVALS   | 215        |
| <b>SECTION XI- OTHER REGULATORY AND STATUTORY DISCLOSURES</b>                          | <b>218</b> |
| <b>SECTION XII - ISSUE RELATED INFORMATION</b>   | <b>218</b> |
| TERMS OF THE ISSUE   | 232        |
| ISSUE STRUCTURE  | 232        |
| ISSUE PROCEDURE  | 237        |
| RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES                                 | 240        |
| <b>SECTION – XIII MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b>                   | <b>268</b> |
| <b>SECTION XIV – OTHER INFORMATION</b>   | <b>268</b> |
| MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION  | 329        |
| DECLARATION  | 329        |

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft 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 Draft Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, the terms not defined but used in the chapters titled ‘Risk Factors’, ‘Statement of Tax Benefits’, ‘Industry Overview’, ‘Business Overview’, ‘Key Regulations and Policies in India’, ‘Restated Financial Statements’, ‘Outstanding Litigation and Material Developments’, “Issue Procedure”, and “Main Provisions of Articles of Association” beginning on page nos. 22, 122, 86, 97, 121, 162, 211, 237, and 329 respectively, shall have the meanings ascribed to such terms in the respective sections.*

### I. CONVENTIONAL / GENERAL TERMS

|  |  |
|--|--|
| Agarwal Toughened Glass India Limited/<br>TOUGHENED / ATGIL / The Company/ Company/ We/ Us/ Our/ our Company/ the Issuer Company | Unless the context otherwise indicates or implies refers to AGARWAL TOUGHENED GLASS INDIA LIMITED, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India |
|--|--|

| TERM   | DESCRIPTION   |
|--|---|
| AGM  | Annual General Meeting  |
| AS   | Accounting Standards as issued by the Institute of Chartered Accountants of India   |
| Articles / Articles of Association /AoA              | Unless the context otherwise requires, refers to the Articles of Association of Agarwal Toughened Glass India Limited as amended from time to time.   |
| Audit Committee                                      | The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015  |
| Auditors/ Statutory Auditors of the Company          | The Statutory & Tax Auditors of our Company, being M/s Jethani And Associates, Chartered Accountant.  |
| Board of Directors / Board / Director(s) / Our Board | The Board of Directors of our Company, including all duly constituted Committee(s) thereof.   |
| Chief Financial Officer                              | Chief Financial Officer of our Company in this case being, Mr. Mangal Ram Gopiram Prajapati   |
| Company Secretary & Compliance Officer               | Company Secretary & Compliance Officer of our Company is Ms. Neha Rajendra Singh Jadoun   |
| Director(s)  | Director(s) of our Company unless otherwise specified   |
| Equity Shares/ Shares                                | Equity Shares of our Company having a face value of Rs. 10/- each, fully paid-up, unless otherwise specified in the context thereof.  |
| Equity Shareholders                                  | Persons holding Equity shares of our Company unless otherwise specified in the context otherwise.   |
| ESOP   | Employee Stock Option   |
| FV   | Value of paid-up Equity Capital per Equity Share, in this case Rs. 10/- each.   |
| Group Companies                                      | In terms of SEBI ICDR Regulations, the term “Group Companies” includes companies (other than our Promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered |

| TERM   | DESCRIPTION   |
|--|---|
|  | material by our Board, such entities as are included in the Chapter in ‘Our Promoter Group and Group Companies / Entities’ beginning on page no. 151 of this Draft Prospectus.  |
| Independent Director                         | A non-executive and independent director of our Company appointed as per Section 149(6) the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. For details, please refer to the chapter titled “Our Management” beginning on page no. 137 of this Draft Prospectus.   |
| Key Managerial Personnel / KMP               | The personnel are listed as Key Managerial Personnel our Company as per Section 2(51) of the Companies Act, 2013 and Regulation 2(bb) of the SEBI (ICDR), Regulation, 2018 and as identified in the chapter titled ‘Our Management’ beginning on page no. 137 of this Draft Prospectus.   |
| Managing Director cum Chairman               | Managing Director of our Company in this case being, Mrs. Anita Uma Shankar Agarwal   |
| Materiality Policy                           | The policy adopted by our Board on November 20, 2023 identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations  |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of our Company, as amended from time to time.   |
| Non- Resident                                | A person resident outside India, as defined under FEMA Regulations.   |
| Nomination and Remuneration Committee        | The nomination and remuneration committee of our Company, constituted on November 21, 2023 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “Our Management” on page no. 137 of this Draft Prospectus  |
| NRI/Non-Resident Indians                     | A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.   |
| Peer Review Auditor                          | The Peer Review Auditors of our Company, being M/s Jethani And Associates, Chartered Accountants  |
| Promoter/ Promoters of our Company           | Promoter of our Company is Mrs. Anita Uma Shankar Agarwal, Mr. Uma Shankar Sanwarmal Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal   |
| Promoter Companies/ Promoter Group           | Unless the context otherwise requires, refers to such persons and entities constituting the Promoter Companies/ Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed in ‘Our Promoter Group And Group Companies / Entities’ beginning on page 151 of this Draft Prospectus.  |
| Registered Office                            | The Registered Office of our Company which is located at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India  |
| Registrar of Companies                       | ROC Rajasthan, Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur - 302001, Rajasthan, India  |
| Restated Financial Statements                | The financial information of the Company which comprises of the restated financial statement of Assets and Liabilities, Profit and Loss and Cash Flows for the period ended September 30, 2023 and for the Financial Years March 31, 2023, 2022 and 2021 and the related notes, schedules and annexures thereto included in this Draft Prospectus, which have been prepared in accordance with Section 133 of the Companies Act, 2013, and restated in accordance with the SEBI ICDR Regulations. |
| SME Exchange                                 | Unless the context otherwise requires, refer to the Emerge Platform of National Stock Exchange of India Limited   |
| Stakeholders’ Relationship Committee         | The stakeholders’ relationship committee of our Board as described in “Our Management” beginning on page no. 137 of this Draft Prospectus.  |
| Willful Defaulter(s)                         | Willful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations   |

## ISSUE RELATED TERMS

| TERM   | DESCRIPTION   |
|--|---|
| Acknowledgement Slip   | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application  |
| Allot / Allotment / Allotment of Equity Shares                                     | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares pursuant to the issue to the successful Applicants.   |
| Allocation / Allocation of Equity Shares   | Unless the Context otherwise requires, the allocation of Equity Shares pursuant to this Issue to successful Applicants.   |
| Allotment Advice   | Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange  |
| Allottee`s   | The successful applicant to whom the Equity Shares are/ have been allotted.   |
| Applicant(s)   | Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.  |
| Application Amount   | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus.  |
| Application Intermediary Collecting  | 1) a SCSB, with whom the bank account to be blocked, is maintained.<br>2) a syndicate member (or sub-syndicate member),<br>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"),<br>4) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),<br>5) a registrar to an issue and share transfer agent ('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| Application Form   | The form in terms of which the prospective Applicants shall apply for the Equity Shares of our Company.   |
| Application Supported by Blocked Amount/ASBA                                       | An application, whether physical or electronic, used by all applicants to make a Bid authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB and will include amounts blocked by RIIs using UPI Mechanism.  |
| ASBA Account   | Account maintained by an ASBA Applicants with an SCSB which will be blocked by such SCSB to the extent of the Application Amount.   |
| ASBA Applicant(s)  | Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form.   |
| ASBA Application   | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Draft Prospectus.   |
| Banker(s) to the Company   | Such banks which are disclosed as bankers to our Company in the chapter titled "General Information" beginning on page no. 43 of this Draft Prospectus.   |
| Banker(s) to the Issue/ Escrow Collection Bank(s)/Public Issue Bank/ Refund Banker | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom Escrow Account will be opened and in this case being [•]  |
| Basis of Allotment   | The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue in consultation with the Stock Exchange which is described in the Chapter titled 'Issue Procedure' beginning on page 237 of this Draft Prospectus.   |
| Broker Centres   | Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application forms to a Registered Broker. the details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the NSE- <a href="http://www.nseindia.com">www.nseindia.com</a>   |

| <b>TERM</b>  | <b>DESCRIPTION</b>   |
|--|--|
| Business Day   | Monday to Friday (except public holidays)  |
| CAN / Confirmation of Allocation Note                                      | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.   |
| Client ID  | Client identification number maintained with one of the Depositories in relation to demat account  |
| Collecting Depository Participant(s) or CDP(s)                             | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Controlling Branches of the SCSBs  | Such branches of the SCSBs which coordinate with the Lead Manage, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time   |
| Collection Centres   | Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs  |
| Demographic Details  | The demographic details of the Applicants such as their Name, Address, Pan, Occupation, Applicant Status and Bank Account details and UPI (If applicable)  |
| Depository/Depositories  | A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.  |
| Depository Participant/DP  | A Depository Participant as defined under the Depositories Act, 1996, as Amended from time to time.  |
| Designated CDP Location  | Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange.  |
| Designated Date  | The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Offer Account or unblock such amounts, as appropriate in terms of the Draft Prospectus.  |
| Designated Intermediaries/Collecting Agent                                 | An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).  |
| Designated Market Maker / Market Maker                                     | In our case, [•]   |
| Designated RTA Locations   | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange   |
| Designated SCSB Branches   | Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange/ Emerge Platform of NSE /National Stock Exchange | Emerge Platform of the National Stock Exchange of India Limited (NSE EMERGE)   |



| <b>TERM</b>  | <b>DESCRIPTION</b>  |
|--|---|
| Draft Prospectus   | The Draft Prospectus dated January 12, 2024 issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulation, 2018   |
| Escrow Agreement   | Agreement dated [•] entered in to amongst our Company, Lead Manager and the Registrar, the Banker(s) to the Issue/ Escrow Collection Bank(s) for collection of the Application Amounts from the ASBA Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.  |
| Eligible NRIs  | NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Reconstitutes an invitation to subscribe to the Equity Shares offered herein.   |
| Electronic Transfer of Funds                                 | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.  |
| Eligible QFI   | Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI FPI Regulations.  |
| Escrow Collection Bank(s)                                    | The banks which are clearing members and registered with SEBI as Banker(s) to the Issue/ Escrow Collection Bank(s) at which bank(s) the Escrow Account of our Company will be opened, in this case being [•].   |
| First/Sole Applicant   | The Applicant whose name appears first in the Application Form or Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.   |
| FII / Foreign Institutional Investors                        | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered to with SEBI under applicable laws in India.  |
| Foreign Portfolio Investor / FPIs                            | Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019  |
| Fugitive Economic Offender                                   | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018  |
| General Information Document or GID                          | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no.(SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and circular no.(SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM |
| Issue / Issue Size/ IPO/Initial Public Offering/Public Issue | Public Issue of 50,40,000 Equity Shares of Rs. 10/- each fully paid of Agarwal Toughened Glass India Limited (“the Company” or “the Issuer”) for cash at a price of Rs. 96.00/- Per Equity Share aggregating to Rs. 4838.40 Lakhs. The Issue and The Net Issue will constitute 29.80% and 28.31% Respectively of the post issue paid up capital of the Company  |
| Issue Agreement/ MoU   | The agreement dated November 20, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.  |
| Issue Period   | The Issue period shall be [•] being the Issue Opening Date, to [•], being the Issue Closing Date.   |



| <b>TERM</b>                                   | <b>DESCRIPTION</b>   |
|---|--|
| Issue Closing Date                            | [●], The Date on which Issue closes for subscription   |
| Issue Opening Date                            | [●] The Date on which Issue opens for subscription   |
| Issue Price                                   | The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 96.00 /- per equity share.  |
| Issue Proceeds                                | The proceeds to be raised by our Company through Fresh Issue   |
| LM / Lead Manager                             | Lead Manager to the Issue, in this case being First Overseas Capital Limited, SEBI Registered Category I Merchant Bankers.   |
| Listing Agreement with Emerge Platform of NSE | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Emerge Platform of National Stock Exchange of India Limited   |
| Lot Size                                      | The Market lot and Trading lot for the Equity Share is 1,200 and in multiples of 1,200 thereafter; subject to a minimum allotment of 1,200 share to the successful applicants  |
| Market Making Agreement                       | Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.  |
| Market Maker/MM                               | [●] 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 any other period as may be notified by SEBI from time to time.  |
| Market Maker Reservation Portion              | The Reserved portion of 2,52,000 Equity Shares of Rs. 10/- each at Rs. 96/- Per Equity Shares aggregating to Rs. 241.92 Lakhs for Market Maker in the Initial Public Issue of Agarwal Toughened Glass India Limited.   |
| Minimum Promoter 'Contribution                | Aggregate of 20 % of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter of 20% and locked-in for a period of three years from the date of Allotment  |
| Mobile App(s)                                 | The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism |
| Mutual Fund(s)/ MF                            | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.  |
| Net Issue/ Net Proceeds                       | The Issue (excluding the Market Maker Reservation Portion) of 47,88,000 Equity Shares of Rs. 10/- each of Agarwal Toughened Glass India Limited at Rs. 96 Per Equity Share aggregating to Rs. 4596.48 Lakhs  |
| NIF   | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India   |
| Non-Institutional Investors/ Applicants/NIIs  | All Applicants (including Category III FPIs which are foreign corporate or foreign individuals but not including NRIs, other than eligible NRIs) that are not Qualified Institutional Buyers (QIBs) (including Anchor Investors or Retail Individual Applicants/Investors and who have applied for Equity Shares for an amount more than Rs.2,00,000.                                    |
| Non-Indian Resident/ NRI                      | A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulation, as amended from time to time   |
| 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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.        |
| Person/Persons                                | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other   |

| TERM  | DESCRIPTION  |
|---|--|
|   | entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.   |
| Prospectus                                  | The Prospectus dated [●] to be filed with the ROC in accordance with Section 26 of the Companies Act, 2013 and SEBI (ICDR), Regulations containing inter alia, the Issue opening and Issue closing dates and other certain information   |
| Public Issue Account                        | Account opened with Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.   |
| Qualified Institutional Buyers / QIBs       | A Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI (ICDR), Regulations, 2018  |
| Refund Account                              | The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made  |
| Refund Bank(s)                              | The Bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case [●]   |
| Registered Brokers                          | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals.   |
| Registrar Agreement                         | The agreement dated November 20, 2023 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.  |
| 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 issue by SEBI  |
| Registrar/ Registrar to the Issue           | Registrar to this Issue being KFin Technologies Limited bearing registered office at Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Telangana, India   |
| Retail Individual Investors/ RIIs           | Individual investors, or minors applying through their natural guardians (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than or equal to Rs. 2,00,000/-.  |
| Revision Form                               | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).  |
| Self-Certified Syndicate Banks/ SCSB        | Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.  |
| SCSB Agreement                              | The deemed agreement between the SCSBs, the Lead Manager, the Registrar to the Issue and our Company, in relation to the collection of Applications from the ASBA Applicants and payment of funds by the SCSBs to the Public Issue Account   |
| Emerge Platform of NSE                      | The Emerge Platform of NSE, i.e.; NSE Emerge for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time  |
| Specified Locations                         | Centers where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI   |
| Sponsor Bank                                | A Banker to the Issue 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 [●] |

| <b>TERM</b>  | <b>DESCRIPTION</b>  |
|--|---|
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations   |
| Specified Securities                                 | Equity Shares are being offered through this Draft Prospectus   |
| Sponsor Banker                                       | The Banker(s) registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Applicants into the UPI, in this case being [●]   |
| TRS / Transaction Registration Slip                  | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.  |
| Underwriters to the Issue                            | [●]   |
| Underwriting Agreement                               | The Agreement dated [●] entered into between the Underwriters and our Company.  |
| Unified Payments Interface/ UPI                      | UPI is an instant payment system developed by the NPCI.   |
| UPI Circulars/ SEBI Circulars                        | The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI Circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated October 30, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular no SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard     |
| UPI Application                                      | Collectively, individual investors applying as Retail Individual Investors in -the Retail Portion, and Other than retail individual investors applying with an application size of more than ₹ 200,000 and up to ₹ 500,000 in the Other than Retail Investors category and applying under the UPI Mechanism. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (ii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iii) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| UPI ID   | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).   |
| UPI ID Linked Bank Account                           | Account of the RIIs, applying in the issue using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.  |
| UPI Mandate Request / Mandate Request                | A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No.   |

| TERM              | DESCRIPTION  |
|-------------------|--|
|                   | SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors, using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFi=yes&amp;intmid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFi=yes&amp;intmid=40</a> ) and( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43</a> ) respectively, as updated from time to time |
| UPI Mechanism     | The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018  |
| UPI PIN           | Password to authenticate UPI transaction.  |
| Willful Defaulter | Willful Defaulter is defined under Regulation 2(1) (III) of SEBI (ICDR) Regulations, 2018, means a person or an issuer who or which is categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.  |
| Working Days      | In accordance with Regulation 2(1)(mmm) of SEBI (ICDR), Regulations, 2018, working day means all days on which commercial banks in the city as specified in the offer document are open for business. <ul style="list-style-type: none"> <li>- However, till Application / Issue closing date: All days other than 2<sup>nd</sup> and 4<sup>th</sup> Saturday of the month, Sunday or a public holiday;</li> <li>- Post Application / Issue closing date and till the Listing of Equity Shares: Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays (in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016).</li> </ul>                        |

#### ABBREVIATIONS

| ABBREVIATIONS | FULL FORMS   |
|---------------|--|
| A/c           | Account  |
| ACS           | Associate Company Secretary  |
| AGM           | Annual General Meeting   |
| AIF           | Alternative Investment Funds as defined in and registered under SEBI AIF Regulations |
| AS            | Accounting Standards as issued by the Institute of Chartered Accountants of India    |
| ASBA          | Applications Supported by Blocked Amount   |
| AY            | Assessment Year  |
| Bn            | Billion  |
| CAGR          | Compounded Annual Growth Rate  |
| CAPEX         | Capital Expenditure  |
| CDSL          | Central Depository Services (India) Limited  |
| CEO           | Chief Executive Officer  |
| CFO           | Chief Financial Officer  |
| CII           | Confederation of Indian Industry   |
| CIN           | Company Identification Number  |
| CST           | Central Sales Tax  |
| Contract Act  | The Indian Contract Act, 1872 as amended from time to time                           |
| COVID-19      | Coronavirus disease 2019   |
| CSR           | Corporate Social Responsibility  |
| DIN           | Director Identification Number   |
| DP            | Depository Participant   |
| DP ID         | Depository Participant's Identity  |
| DB            | Designated Branch  |

| ABBREVIATIONS  | FULL FORMS  |
|--|---|
| DTC  | Direct Tax Code, 2013   |
| EBIDTA   | Earning/Revenues from operations (net) less total expenses (expenses other than finance cost, depreciation and amortization)  |
| ECS  | Electronic Clearing System  |
| EGM  | Extraordinary General Meeting   |
| EOU  | Export Oriented Unit  |
| EPS  | Earnings Per Share  |
| ESOP   | Employee Stock Option Plan  |
| FCNR   | Foreign Currency Non-Resident Account   |
| FDI  | Foreign Direct Investment   |
| FEMA   | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under   |
| FII's  | Foreign Institutional Investor, as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2014, as amended from time to time and registered with the SEBI under applicable laws in India |
| FIPB   | Foreign Investment Promotion Board  |
| FPI's  | Foreign Portfolio Investor as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India  |
| FTP  | Foreign Trade Policy, 2009  |
| FY/ Fiscal/ Financial Year                                 | Period of twelve months ended March 31 of that particular year, unless otherwise stated   |
| FVCI   | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI under applicable laws in India.                                |
| GAAP   | General Accepted Accounting Principles  |
| GDP  | Gross Domestic Product  |
| GFSR   | Global Financial Stability Report   |
| GoI/ Government  | Government of India   |
| GST  | Goods and Services Tax Act, 2017  |
| HNI  | High Net worth Individuals  |
| HR   | Human Resources   |
| HUF  | Hindu Undivided Family  |
| Indian GAAP  | Generally Accepted Accounting Principles in India   |
| ICAI   | Institute of Chartered Accountants of India   |
| ICDR/ ICDR Regulations/ SEBI ICDR/ SEBI (ICDR) Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| ICSI   | Institute of Company Secretaries Of India   |
| IFRS   | International Financial Reporting Standards   |
| IFSC   | Indian Financial System Code  |
| IGST   | Integrated GST  |
| IMPS   | Immediate Payment Service   |
| IPR  | Intellectual Property Rights  |
| IRDA   | Insurance Regulatory and Development Authority  |
| I.T. Act   | Income Tax Act, 1961, as amended from time to time  |
| INR/Rs./Rupees/ `  | Indian Rupees, the legal currency of the Republic of India  |
| JV   | Joint Ventures  |
| Km   | Kilometres  |
| KMP  | Key Managerial Personnel  |
| KPI  | Key Performance Indicators  |
| LM   | Lead Manager  |
| LMT  | Lakh Metric Tonnes  |
| Ltd  | Limited   |

| ABBREVIATIONS  | FULL FORMS  |
|----------------|---|
| MB             | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time. |
| MD             | Managing Director   |
| MGNREGS        | Mahatma Gandhi National Rural Employment Guarantee Scheme   |
| MICR           | Magnetic Ink Character Recognition  |
| Mkt.           | Market  |
| Mn             | Million   |
| MOA            | Memorandum of Association   |
| MoF            | Ministry of Finance, Government of India  |
| MOU            | Memorandum of Understanding   |
| MSP            | Minimum Support Price   |
| N.A./n.a       | Not Applicable  |
| NACH           | National Automated Clearing House   |
| NAV            | Net Asset Value   |
| NBFC           | Non- Banking Finance Company  |
| NECS           | National Electronic Clearing System   |
| NEFT           | National Electronic Fund Transfer   |
| NOC            | No Objection Certificate  |
| No.            | Number  |
| NPCI           | National payments Corporation of India  |
| NPV            | Net Present Value   |
| NR             | Non-Resident  |
| NRE Account    | Non-Resident External Account   |
| NRIs           | Non-Resident Indians  |
| NRO Account    | Non-Resident Ordinary Account   |
| NSDL           | National Securities Depository Limited  |
| NTA            | Net Tangible Assets   |
| OCB            | Overseas Corporate Bodies   |
| p.a.           | per annum   |
| P/E Ratio      | Price/ Earnings Ratio   |
| PAC            | Persons Acting in Concert   |
| PAN            | Permanent Account Number  |
| PAT            | Profit After Tax  |
| PBT            | Profit Before Tax   |
| PE             | Private Equity  |
| PE Ratio       | Price/ Earning Ratio  |
| PIO            | Persons of Indian Origin  |
| POA            | Power of Attorney   |
| PPE            | Personal Protective Equipment   |
| Pvt.           | Private   |
| Pvt. Ltd.      | Private Limited   |
| QFI            | Qualified Foreign Investors   |
| QIB            | Qualified Institutional Buyers  |
| RBI            | The Reserve Bank of India   |
| R & D          | Research and Development  |
| RoC            | Registrar of Companies  |
| ROE            | Return on Equity  |
| RONW           | Return on Net Worth   |
| RTGS           | Real Time Gross Settlement  |
| SCRA           | Securities Contract (Regulation) Act, 1956, as amended from time to time  |
| SCRR           | Securities Contracts (Regulation) Rules, 1957, as amended from time to time.  |
| Sec.           | Section   |
| Securities Act | The U.S. Securities Act as amended from time to time  |
| SEZ            | Special Economic Zone   |

| <b>ABBREVIATIONS</b>            | <b>FULL FORMS</b>  |
|---------------------------------|--|
| SGST                            | State GST  |
| SME                             | Small and Medium Enterprise  |
| SSI Undertakings                | Small Scale Industrial Undertakings  |
| STT                             | Securities Transaction Tax   |
| TIN                             | Tax Identification Number  |
| TAN                             | Tax Deduction and Collection Account Number  |
| TRS                             | Transaction Registration Slip  |
| TNW                             | Total Net Worth  |
| UIN                             | Unique Identification Number   |
| u/s                             | Under Section  |
| UPI                             | Unified Payment Interface  |
| US/ United States               | United States of America   |
| USD/ US\$/ \$                   | United States Dollar, the official currency of the United States of America  |
| Venture Capital Fund(s)/ VCF(s) | Venture Capital Funds as defined and registered with SEBI under Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time. |
| VAT                             | Value Added Tax  |
| WDV                             | Written Down Value   |
| WEO                             | World Economic Outlook   |
| w.e.f.                          | With Effect From   |
| WTD                             | Whole Time Director  |
| WTO                             | World Trade Organization   |
| YoY                             | Year over year   |

#### **EXPLANATION FOR KPI METRICS**

| <b>KPI</b>              | <b>EXPLANATIONS</b>  |
|-------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| Total income            | Total income is used by the management to track revenue from operations and other income   |
| EBITDA                  | EBITDA provides information regarding the operational efficiency of the business.  |
| EBITDA Margin (%)       | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.  |
| PAT                     | Profit after tax provides information regarding the overall profitability of the business.   |
| PAT Margin (%)          | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.   |
| Net Worth               | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.  |
| RoNW (%)                | RoNW provides how efficiently the Company generates profits from shareholders' funds.  |

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

| <b>TERM</b> | <b>DESCRIPTION</b>          |
|-------------|-----------------------------|
| UV          | Ultraviolet                 |
| IMF         | International Monetary Fund |
| IGU         | Insulating glass unit       |
| EVA         | ethylene-vinyl acetate      |
| NIS         | Nickel Sulphide             |
| BRG         | Bullet-Resistant Glass      |
| PVB         | poly vinyl butyral          |
| TPU         | Thermoplastic polyurethane  |



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Agarwal Toughened Glass India Limited” and/or “ATGIL” and/or “Agarwal Toughened”, unless the context otherwise indicates or implies, refers to Agarwal Toughened Glass India Limited.

All references in this Draft Prospectus to “India” are to the Republic of India. All references in the Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America. Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

### Financial Data

Unless stated otherwise, the financial data which is included in this Draft Prospectus is derived from our restated audited financial statements for the period ended September 30, 2023 and for the Financial Years March 31, 2023, 2022 and 2021 prepared in accordance with Indian GAAP, Accounting Standards, the Companies Act, 2013 (Such provisions of the Companies Act, 1956 which were in force as on date) and restated financial statements of our company prepared in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled ‘*Financial Statements*’ beginning on page no.162 of this Draft Prospectus.

Our Financial Year commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the following year, so all references to a particular Financial Year are to the (12) twelve-month period ended March 31<sup>st</sup> of that year. In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. Further, figure represented in the BRACKET or with the sign “-” indicates NEGATIVE data in this Draft Prospectus in relation to our Company and Industries. 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, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS 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 Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices/ Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the chapters titled ‘*Risk Factors*’, ‘*Business Overview*’ and ‘*Management's Discussion and Analysis of Financial Conditions and Results of Operations*’ beginning on page 22, 97 and 167, respectively, of this Draft Prospectus and elsewhere in this Draft 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 SEBI ICDR Regulations.

### Currency and Units of presentation

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

- ‘Rupees’ or ‘Rs.’ or ‘INR’ or ‘₹’ 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.

All references to the word “Lakh/Lakhs or Lac” mean “One Hundred Thousand”, the word “Crore/Crores” means “Hundred Lakhs”, the word “Million (million) or Mn” means “Ten Lakhs”, the word “Crores” means “Ten Million” and the word “Billion (bn)” means “One Hundred Crores”.

### Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft 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 Draft Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENT

All statements contained in this Draft 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 Draft Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft 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.

These forward-looking statements can generally be identified by words or phrases such as “will”, “may”, “aim”, “is likely to result”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could significantly affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results to differ materially from our expectations include but are not limited to the followings:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to successfully implement our growth strategy and expansion plans, technological initiatives, and to launch and implement various products and business plans for which funds are being raised through this Issue;
- Our ability to respond to customers test and preferences;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain skilled personnel and the effect of wage pressures and the time required to train and productively utilize new employees;
- General social and political conditions in India which have an impact on our business activities or investments;
- Potential mergers, acquisitions restructurings and increased competition;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to finance our business growth and obtain financing on favorable terms;
- Our ability to manage our growth and to compete effectively, particularly in new markets and businesses;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled ‘Risk Factors’, ‘Business Overview’ and ‘Management’s Discussion and Analysis of Financial Conditions and Results of Operations’ beginning on page 22, 97 and 167, respectively of this Draft Prospectus.

Forward looking statements reflects views as of the date of this Draft Prospectus and not a guarantee of future performance. By their nature, certain risk disclosures are only estimating and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, our directors nor the Lead Managers, nor any of their respective affiliates or associates have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until the listing and trading permission is granted by the Stock Exchange(s).

## SECTION II – SUMMARY OF THE ISSUE DOCUMENT

### Summary of our Business

Agarwal Toughened Glass India Limited is in the business of manufacturing toughened glass. Our product portfolio consists of toughened value addition glasses which are of various thickness and sizes. The toughened value addition glasses are obtained after processing the float glass. After processing the toughened glass, variety of glasses are further obtained such as clear toughened glass, laminated toughened glass, reflective toughened glass, tinted toughened glass, double glazing glass and frosted toughened glass. As a result of its safety and strength, toughened glass is used in a variety of demanding applications including passenger vehicle windows, shower doors, architectural glass doors and tables, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks and various types of plates and cookware etc. Also toughened glass is commonly used in doors, facades, staircases, balustrades and as partitions in the shopping malls, hospitals, airports, residential apartments, commercial apartments building etc.

From incorporation date till 2015, our company was under the process of setting up its factory unit. From 2016 onwards, our company started its 1<sup>st</sup> factory unit and the 2<sup>nd</sup> manufacturing unit started in 2022. Within our factory unit 1, float glass is simply converted into toughened glass and within our factory unit 2, toughened glass is then converted into other variety of value added toughened glasses

Our company is manufacturing various types of toughened glasses as per the quality standards as prescribed by Bureau of Indian Standard (BIS) for using ISI mark. Our ISO 9001:2015 certification has made our Quality Management System comparable with the best in the world. All our products are sold in within India only. Our products are being used by various segment viz., office buildings, hotels, institutions, banks, insurance companies, shopping malls, diplomatic residences, etc. Our products cater to a range of end use industries including construction, automotive, and industrial sectors, with a variety of applications such as exterior and interior spaces of residential and commercial buildings. Our top customers include Window Magic India Pvt. Ltd., Riddhi Siddhi Inovations (India) Pvt. Ltd, Dhabriya Polywood Limited, Saint Gobain India Pvt. Ltd, Design Kraft Solutions, Jatan Constructions Private Limited, Narendra Interiors Pvt. Ltd., Royal Glass And Hardware World etc..and our top suppliers include Saint Gobain India Private Limited, Asahi India Glass Limited, Borosil Renewables Limited, Gold Plus Glass Industries Limited, Gujarat Guardian Limited, Sisecam Flat Glass India Private Limited etc.

Our company is procuring orders either through direct clients or through our well experienced sales and marketing team who have the experience in glass industry. Our process time for manufacturing value-added glass and processed glass, will depend upon the size, thickness, quantity and quality of glasses selected by our client.

For more information on our Company's business, please refer to chapter titled "**Business Overview**" on page no. 97 of this Draft Prospectus.

### Summary of Our Industry:

#### OVERVIEW OF FLOAT GLASS INDUSTRY INDIAN FLOAT GLASS MARKET —REVIEW AND OUTLOOK

Float glass is produced in wide-ranging dimensions, and is available in sizes of 0.4 mm to 25 mm thickness. Apart from aesthetic utility, it serves functional utility such as privacy, energy conservation, safety, protection against fire, and noise insulation.

Float glass is largely being used as a material in building and construction industry. It directly or indirectly competes with other building materials such as paints, plywood and laminates and ceramic tiles. Float glass is expected to be amongst the fastest growing building materials in India.

#### FLOAT GLASS MARKET IN INDIA

Indian Float glass manufacturing is a highly consolidated industry with only five organized players and no unorganized players. According to CRISIL Report, demand for float glass at 3.4 million tonnes in India in Fiscal 2022. CRISIL Research has considered unprocessed glass, covering clear, tinted, mirror, reflective, lacquered and frosted glass as a part of float glass market. Demand for float glass is estimated to have grown from 1.9 million tonnes in Fiscal 2016 to 2.6 million tonnes in Fiscal 2021, implying a 6.0% CAGR. The domestic demand is estimated to have grown at a

healthy 8.5% CAGR over Fiscals 2016 to 2020, even as COVID-19 hurt demand sentiment in Fiscal 2021, posting a marginal decline of approximately 4%. Demand is expected to recover sharply to 3.4 million tonnes in Fiscal 2022, driven by pent-up demand and faster-than-anticipated recovery in the buildings and construction segment. Imports form a significant proportion of domestic demand, indicating scope for expansion of domestic manufacturing capacity. Imports historically have been high due to limitation in domestic capacity. Secular tailwinds in place supporting domestic glass manufacturers. Imports, which typically range from 20% to 30% of domestic demand, are expected to shoot up to 34% of domestic demand in Fiscal 2022. A majority of this import was of clear glass.

## **IMPORT-EXPORT SCENARIO FOR THE FLOAT GLASS INDUSTRY**

Float glass imports in India grew at 4.3% CAGR over fiscal 2016 to 2020 period. Clear, reflective and tinted glass together accounted for more than 90% of imports. Clear glass imports grew at a 2.7% CAGR during fiscals 2016 to 2020, while those of value-added glass grew at 6% CAGR. Indonesia, Malaysia, Thailand, China, Iran and Bangladesh are among key import partners for India. Imports from Malaysia, Thailand and Bangladesh rose by approximately 350%, approximately 22%, approximately 52% CAGRs over Fiscals 2016 to 2021.

Imports were on a decline due to general economic over Fiscal 2019 to 2020. Imports declined further as COVID-19 pandemic struck globally. Even as the global COVID-19 situation improved, imports of float glass were subdued due to higher freight rates amid shortage of containers. In Fiscal 2022, as the container availability and domestic demand scenario improved, imports of float glass surged to Fiscal 2020 level over April-October 2021.

For more information on our Company's business, please refer to chapter titled **"Industry Overview"** on page no. 86 of this Draft Prospectus

## **Names of the Promoters**

As on date of this Draft Prospectus, our Promoters are Mrs. Anita Uma Shankar Agarwal, Mr. Uma Shankar Sanwarmal Agarwal And Mr. Mahesh Kumar Sanwarmal Agarwal.

## **Size of the Issue**

This is the Fresh Issue of Equity Shares. Initial Public Offer is of 50,40,000 Equity Shares values of Rs.10 each of the Company for cash at a price of Rs. 96.00 per Equity Share (including a share premium of Rs. 86.00 per Equity Share) aggregating up to Rs. 4838.40 Lakhs.

## **Objects of the Issue**

The proposed utilization of the Gross Proceeds from the Fresh Issue is set forth below:

| <b>(Rs. In Lakhs)</b> |   |                     |
|-----------------------|---|---------------------|
| <b>Sr. No.</b>        | <b>Objects of the Issue</b>                               | <b>IPO Proceeds</b> |
| 1.                    | Repayment of certain borrowings                           | 610.06              |
| 2.                    | Purchase of machinery for our existing manufacturing unit | 325.00              |
| 3.                    | To meet the Working Capital requirements                  | 2500.00             |
| 4.                    | General Corporate Expenses *                              | 1203.34             |
| 5.                    | Issue Expenses  | 200.00              |
|                       | <b>Total</b>  | <b>4838.40</b>      |

\* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

**Offer for Sale-**There is no Offer for Sale as Our Company is making only a Fresh Initial Public Offer/Issue.

For detailed information on the **"Objects of the Issue"**, please refer to chapter titled **"Objects of the Issue"** on page no. 70 of this Draft Prospectus.

## Pre-Issue Shareholding of the Promoter and Promoter Group

The aggregate shareholding of Our Promoter and Promoter Group before the Issue is set forth below:

| Sr. No.  | Name of the Shareholders              | Pre-Issue            |                              | Post-Issue           |                              |
|----------|---------------------------------------|----------------------|------------------------------|----------------------|------------------------------|
|          |                                       | No. of equity shares | As a % of Pre-Issued Capital | No. of equity shares | As a % of Post-Issue Capital |
| <b>A</b> | <b>Promoters</b>                      |                      |                              |                      |                              |
|          | Mrs. Anita Uma Shankar Agarwal        | 17,12,500            | 14.42                        | 17,12,500            | 10.12                        |
|          | Mr. Uma Shankar Sanwarmal Agarwal     | 4,42,750             | 3.73                         | 4,42,750             | 2.62                         |
|          | Mr. Mahesh Kumar Sanwarmal Agarwal    | 33,83,250            | 28.49                        | 33,83,250            | 20.00                        |
|          | <b>TOTAL (A)</b>                      | <b>55,38,500</b>     | <b>46.64</b>                 | <b>55,38,500</b>     | <b>32.74</b>                 |
| <b>B</b> | <b>Promoter Group &amp; Relatives</b> |                      |                              |                      |                              |
|          | Mrs. Sharda Mahesh Kumar Agarwal      | 44,00,000            | 37.05                        | 44,00,000            | 26.01                        |
|          | Mrs. Sharda Devi Sanwarmal Agarwal    | 8,25,000             | 6.95                         | 8,25,000             | 4.88                         |
|          | Mr. Mayur Uma Shankar Agarwal         | 3,87,500             | 3.26                         | 3,87,500             | 2.29                         |
|          | Ms. Palak Mahesh Kumar Agarwal        | 1,50,000             | 1.26                         | 1,50,000             | 0.89                         |
|          | <b>TOTAL (B)</b>                      | <b>57,62,500</b>     | <b>48.53</b>                 | <b>57,62,500</b>     | <b>34.07</b>                 |
| <b>C</b> | <b>TOTAL (A+B)</b>                    | <b>1,13,01,000</b>   | <b>95.17</b>                 | <b>1,13,01,000</b>   | <b>66.81</b>                 |

For further details relating to the allotment of Equity Shares to our Promoters and Promoter Group members, please refer to the chapter titled '*Capital Structure*' beginning on page no. 56 of this Draft Prospectus.

## Financial Information

The following tables set forth details the financial information as per the Restated Financial Statements for the period ended September 30, 2023 and for the financial year ended on March 31, 2023, 2022 and 2021.

(Rs. in Lakhs)

| Particulars                   | As on Sep 30, 2023 | As at March 31, |          |          |
|-------------------------------|--------------------|-----------------|----------|----------|
|                               |                    | 2023            | 2022     | 2021     |
| Share Capital                 | 475.00             | 475.00          | 475.00   | 475.00   |
| Net Worth                     | 1,235.09           | 783.06          | 676.71   | 561.55   |
| Total Revenue from operations | 1,910.20           | 4,060.32        | 3,471.99 | 2,293.63 |
| Profit after Tax              | 434.47             | 99.40           | 49.32    | 20.74    |
| EPS (in Rs.)- Basis & Diluted | 9.15               | 2.09            | 1.04     | 0.52     |
| NAV per equity share (in Rs.) | 25.22              | 16.07           | 13.98    | 12.94    |
| EBITDA                        | 784.97             | 528.10          | 472.79   | 296.10   |
| RONW %                        | 48.36              | 17.36           | 7.43     | 3.37     |

For detail information, please refer to the chapters and notes mentioned therein titled '*Restated Financial Statement*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page no. 162 and 167 respectively of this Draft Prospectus.

## Auditors' Qualifications which have not been given effect to in the Restated Financial Statements

Independent Auditor's Report on Restated Financial Statements is issued by M/s Jethani And Associates, Chartered Accountants, Mumbai contains following Qualifications.

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

### Summary of the Outstanding Litigations

For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Companies, please refer chapters titled “Outstanding Litigation and Material Developments” and “Risk Factors” on page no. 211 and 22, respectively, of this Draft Prospectus.

### Risk Factors

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Draft Prospectus and are advised to read the section titled “Risk Factors” beginning on page no. 22 of this Draft Prospectus, including the risks and uncertainties, before making/taking an investment decision in our Equity Shares.

In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said chapter are relevant to the industries our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries.

For further details, please refer to the Section titled “Risk Factors” beginning from page no. 22 of this Draft Prospectus.

### Summary of Contingent Liabilities

As on the date of filing the Draft Prospectus, the company does not have contingent liabilities. For details, please refer to the chapter titled “*Restated Financial Information*” beginning on Page no. 162 of this Draft Prospectus.

### Summary of Related Party Transactions

(₹ In Lakhs)

| Name of Related Party | Nature of Relationship | Nature of Transaction | Amount of transaction during the period ended September 30, 2023 | Amount outstanding as on September 30, 2023 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2023 | Amount outstanding as on March 31, 2023 (Payable)/ Receivable |
|-----------------------|------------------------|-----------------------|--|---|--|---|
| Mahesh Kumar Agarwal  | Director               | Loan Taken            | 8.50   | (22.21)   | 17.88  | (13.71)   |
|                       |                        | Loan Repaid           | -  |   | 88.50  |   |
|                       |                        | Salary / Remuneration | 9.00   | (7.95)  | 18.00  | (3.01)  |
| Uma Shankar Agarwal   | Director               | Loan Taken            | -  | (18.46)   | -  | (18.46)   |
|                       |                        | Loan Repaid           | -  |   | 30.00  |   |
| Sharda Agarwal        | Relative for Director  | Loan Taken            | -  | (6.60)  | 5.35   | (6.60)  |
|                       |                        | Loan Repaid           | -  |   | 9.65   |   |
| Anita Agarwal         | Managing Director      | Loan Taken            | -  | (25.25)   | 5.00   | (25.25)   |
|                       |                        | Loan Repaid           | -  |   | -  |   |
| Mayur Agarwal         | Relative for Director  | Loan Taken            | -  | -   | 3.80   | -   |
|                       |                        | Loan Repaid           | -  |   | 0.59   |   |
|                       |                        | Staff Advances        | -  | -   | -  | -   |
| Sharda Devi Agarwal   | Relative for Director  | Loan Taken            | -  | (6.24)  | 14.24  | (6.24)  |
|                       |                        | Loan Repaid           | -  |   | 8.00   |   |
|                       |                        | Sale of goods         | -  | -   | -  | -   |

| Name of Related Party  | Nature of Relationship                             | Nature of Transaction | Amount of transaction during the period ended September 30, 2023 | Amount outstanding as on September 30, 2023 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2023 | Amount outstanding as on March 31, 2023 (Payable)/ Receivable |
|--|--|-----------------------|--|---|--|---|
| Surendra Agarwal   | Relative for Director                              | Loan Taken            | -  | (15.54)   | -  | (15.54)   |
|  |  | Loan Repaid           | -  |   | 30.00  |   |
| Agarwal Glass Emporium   | Proprietorship concern of Relative                 | Loan Taken            | 1.34   | (5.92)  | 2.68   | (4.58)  |
|  |  | Loan Repaid           | -  |   | -  |   |
|  |  | Sale of goods         | 13.91  | 37.61   | 32.01  | 30.11   |
| Agarwal Float Glass India Limited  | Entity in which a Director is a Member Or Director | Sale of goods         | 24.61  | -   | 18.96  | -   |
|  |  | purchase of goods     | 48.84  | (116.10)  | 294.52   | (101.50)  |
| Agarwal Fortune India Limited (formerly known as Devki Leasing & Finance Limited ) | Entity in which a Director is a Member Or Director | Vendor Advances       | 4.65   | (1.42)  | 45.65  | (1.35)  |
|  |  | purchase of goods     | 16.14  | (9.04)  | -  | -   |
| Hardik glasses   | Proprietorship concern of Relative of Director     | Sale of goods         | 0.01   | 107.75  | 0.02   | 107.74  |
|  |  | purchase of goods     | -  | -   | 20.03  | -   |

| Name of Related Party | Nature of Relationship | Nature of Transaction | Amount of transaction during the period ended March 31, 2022 | Amount outstanding as on March 31, 2022 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2021 | Amount outstanding as on March 31, 2021 (Payable)/ Receivable |
|-----------------------|------------------------|-----------------------|--|---|--|---|
| Mahesh Kumar Agarwal  | Director               | Loan Taken            | 71.80  | (84.34)   | 23.10  | (28.32)   |
|                       |                        | Loan Repaid           | 15.78  |   | -  |   |
|                       |                        | Salary / Remuneration | 18.00  | (5.59)  | 12.00  | (5.59)  |
| Uma Shankar Agarwal   | Director               | Loan Taken            | 7.55   | (48.46)   | -  | (73.46)   |
|                       |                        | Loan Repaid           | 32.55  |   | 7.55   |   |
| Sharda Agarwal        | Relative for Director  | Loan Taken            | 13.36  | (10.90)   | 69.80  | (37.15)   |
|                       |                        | Loan Repaid           | 39.61  |   | 37.76  |   |
| Anita Agarwal         | Managing Director      | Loan Taken            | 20.00  | (20.25)   | -  | (9.25)  |
|                       |                        | Loan Repaid           | 9.00   |   | -  |   |
| Mayur Agarwal         | Relative for Director  | Loan Taken            | 6.00   | -   | -  | -   |
|                       |                        | Loan Repaid           | 6.00   |   | -  |   |
|                       |                        | Staff Advances        | 5.00   | 5.00  | -  | -   |
| Sharda Devi Agarwal   | Relative for Director  | Loan Taken            | 15.00  | -   | -  | (6.00)  |
|                       |                        | Loan Repaid           | 21.00  |   | -  |   |



| Name of Related Party  | Nature of Relationship                             | Nature of Transaction | Amount of transaction during the period ended March 31, 2022 | Amount outstanding as on March 31, 2022 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2021 | Amount outstanding as on March 31, 2021 (Payable)/ Receivable |
|--|--|-----------------------|--|---|--|---|
|  |  | Sale of goods         | -  | -   | 0.79   |   |
| Surendra Agarwal   | Relative for Director                              | Loan Taken            | -  | (45.54)   | 15.00  | (45.54)   |
|  |  | Loan Repaid           | -  |   | -  |   |
| Agarwal Glass Emporium   | Proprietorship concern of Relative of Director     | Loan Taken            | 2.68   | (1.90)  | 1.12   | 0.77  |
|  |  | Loan Repaid           | -  |   | 25.00  |   |
|  |  | Sale of goods         | 21.32  | 21.78   | 31.40  | 29.68   |
| Agarwal Float Glass India Limited  | Entity in Which a Director is a Member Or Director | Sale of goods         | 304.78   | 101.56  | 82.94  | -   |
|  |  | purchase of goods     | 346.13   | -   | 73.56  | (81.36)   |
| Agarwal Fortune India Limited (formerly known as Devki Leasing & Finance Limited ) | Entity in Which a Director is a Member Or Director | Vendor Advances       | -  | -   | -  | -   |
| Hardik glasses   | Proprietorship concern of Relative of Director     | Sale of goods         | -  | 101.00  | -  | 85.60   |
|  |  | purchase of goods     | 54.75  | -   | 19.57  | -   |

For detailed information on the Related Party Transaction on our Company, please refer “**Annexure - XXXVI: Statement of details of Related Party Transactions**” appearing on page no. 193 of this Draft Prospectus under Chapter titled “**Restated Financial Information**” beginning on Page no. 162 of this Draft Prospectus.

### Details of Financing Arrangements

The Promoters, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our company and their relatives 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 period of six months immediately preceding the date of filing of this Draft Prospectus.

### Cost of Acquisition of Shares & Weighted Average Cost of the Shares Acquired by our Promoter

The weighted average price of the equity shares acquired by our Promoter within last one (1) year from the date of filing of this Draft Prospectus are set forth below:

| Name of Promoter                   | No. of equity share held * | Average cost of acquisition (in Rs.) # |
|------------------------------------|----------------------------|--|
| Mrs. Anita Uma Shankar Agarwal     | 10,27,500                  | Negligible                             |
| Mr. Uma Shankar Sanwarmal Agarwal  | 2,65,650                   | Negligible                             |
| Mr. Mahesh Kumar Sanwarmal Agarwal | 20,29,950                  | Negligible                             |

\*Cost of acquisition of 33,23,100 equity shares is negligible as the shares allotted are bonus shares with Nil cost of acquisition.

# As certified by M/s Jethani And Associates, Chartered Accountants, by way of their certificate dated December 01, 2023.

### Average Cost of Acquisition of Shares

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

| Name of Promoter                   | No. of equity share held | Average cost of acquisition (in Rs.) # |
|------------------------------------|--------------------------|--|
| Mrs. Anita Uma Shankar Agarwal     | 17,12,500                | 4.00                                   |
| Mr. Uma Shankar Sanwarmal Agarwal  | 4,42,750                 | 4.00                                   |
| Mr. Mahesh Kumar Sanwarmal Agarwal | 33,83,250                | 3.82                                   |

# As certified by M/s Jethani And Associates, Chartered Accountants, by way of their certificate dated December 01, 2023.

*For further details, please refer to the chapter titled “Capital Structure” on page 56 of this Draft Prospectus.*

### Pre-IPO Placement

Our Company has not placed any Pre-IPO Placement as on date of filing this Draft Prospectus.

### Equity Shares issued for Consideration Other Than Cash

Except as disclosed below, our Company has not issued any other equity shares for consideration other than cash during last one year preceding the date of filing this Draft Prospectus:

| Date of allotment | No. of Equity Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature / Reason of Allotment | Nature of Consideration         |
|-------------------|-------------------------------|------------------|-------------------|------------------------------|---------------------------------|
| 30-10-2023        | 71,25,000                     | 10.00            | -                 | Further Issue                | Bonus Issue in the ratio of 1:1 |

### Split / Consolidation of Equity Shares

Our Company has not done any split or consolidation of Equity Shares during the last one year from the date of filing this Draft Prospectus.

### Exemption from complying with any provisions of Securities Laws, if any, Granted by SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

### SECTION III – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to, the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 97 and 167 respectively, of this Draft Prospectus as well as the other financial and statistical information contained in this Draft Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in 'Financial Statements' on page 162 of this Draft Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP, as restated.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in this Draft Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of your investment.*

*This Draft 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 many factors, including the considerations described below and elsewhere in this Draft Prospectus.*

*These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### **Materiality**

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

- 1. Some events may not be material individually but may be material when considered collectively.*
- 2. Some events may have an impact which is qualitative though not quantitative.*
- 3. Some events may not be material at present but may have a material impact in the future.*

#### **INTERNAL RISK FACTORS**

- 1. There are certain outstanding legal proceeding involving our Company, Promoter, Directors and Promoter Group Members which may adversely affect our business, financial condition and results of operations.***

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company, Promoter, Directors and Promoter Group Members as disclosed in this Draft Prospectus, to the extent quantifiable, have been set out below:

**(Rs. in Lakhs)**

| <b>Name of Entity</b> | <b>Criminal Proceedings</b> | <b>Tax Proceedings</b> | <b>Outstanding Statutory or Regulatory Proceedings</b> | <b>Disciplinary actions by the SEBI or Stock Exchanges</b> | <b>Material Civil Litigations</b> | <b>Aggregate amount involved</b> |
|-----------------------|-----------------------------|------------------------|--|--|-----------------------------------|----------------------------------|
| <b>Company</b>        |                             |                        |  |  |                                   |                                  |
| By the Company        | 3                           | -                      | -  | -  | -                                 | 8.67                             |
| Against the Company   | -                           | 9                      | -  | -  | -                                 | 37.43                            |

| Name of Entity              | Criminal Proceedings | Tax Proceedings | Outstanding Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges | Material Civil Litigations | Aggregate amount involved |
|-----------------------------|----------------------|-----------------|---|---|----------------------------|---------------------------|
| <b>Promoter</b>             |                      |                 |   |   |                            |                           |
| By the Promoter             | 3                    | -               | -   | -   | -                          | 8.67                      |
| Against the Promoter        | -                    | -               | -   | -   | -                          | -                         |
| <b>Directors</b>            |                      |                 |   |   |                            |                           |
| By the Directors            | 3                    | -               | -   | -   | -                          | 8.67                      |
| Against the Directors       | -                    | -               | -   | -   | -                          | -                         |
| <b>Group Companies</b>      |                      |                 |   |   |                            |                           |
| By the Group Companies      | -                    | -               | -   | -   | -                          | -                         |
| Against the Group Companies | -                    | -               | -   | -   | -                          | -                         |

*The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending.*

*For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 211 of this Draft Prospectus.*

**2. We intend to use a portion of the Net Proceeds to prepay / repay certain loan facilities.**

One of the objects of the Issue is the pre-payment / repayment of certain loan facilities, in full or in part, availed by our Company. Our Company intends to utilise an amount of up to Rs. 610.06 Lakhs from the Net Proceeds, constituting 27.59 % of the total Fresh Issue Size, towards the prepayment / repayment of these loan facilities. For details of the outstanding loans proposed for repayment or prepayment, in full or in part from the Net Proceeds, without any obligation to any particular bank or financial institution, see "**Objects of the Issue – Details of the Objects – Repayment of certain borrowings**" on page no. 71 of this Draft Prospectus. The amount utilized to prepay / repay these loans will, therefore, not be available for investment in our business and will not result in any immediate increase in the value of your investment in our Equity Shares.

**3. Our Company is yet to place orders for of the machineries. Any delay in placing orders or procurement of such machineries or variation in purchase rate, may further delay the schedule of implementation and increase the cost of purchasing the machineries.**

Our Company has received third party quotations for the machineries required to be installed at our existing manufacturing unit. For details, please refer to the chapter titled "**Objects of Issue**" beginning on page no. 70 of the Draft Prospectus. Although, we have identified the type of machineries to be purchased for the existing manufacturing unit, we are yet to place order for 100% of the machineries. Further, the cost of the machineries is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of equipment, change in the government regulation and policies, change in management's view of desirability of the current plans, possible cost overruns, etc. Since, we have not yet placed orders for the said machineries we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same or fluctuation in rates can cause time and cost overrun in the implementation of our proposed project and can also compel us to buy such machineries at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

**4. *If we are unable to attract new clients or retain our existing clients or default in payments, the growth of our business and cash flows will be adversely affected.***

Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition. Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition. However, our top 10 customers contributed 21.66 %, Nil %, 10.55 % and 13.18 % of our revenues from operations for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022 and 2021, respectively. To increase our revenue and cash flows, we must regularly add new clients. If we are unable to generate sufficient sales or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to repeat contracts and/ or place new orders with us due to various factors including client service satisfaction, quality of product sold, meet the client's deliverable timeline, our pricing as compared to that of our competitors etc. If we fail to achieve repetitive orders from existing clients or to add new clients, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

**5. *We are dependent upon few suppliers for the material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.***

Our top 10 suppliers contributed 76.83%, 80.43 %, 87.09 % and 54.66 % of our revenues from operations for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022 and 2021, respectively. In our industry, generally there are no definitive agreements with the suppliers of the products we sell. We also do not have any long-term supply agreements with our suppliers or distributors and we procure our products on a purchase order basis. Since there are no fixed terms of trade, the discounts and schemes for our customers are decided based on the size and nature of project and mainly it is based on the length of project and payment cycle under any particular project and sometime negotiation skill of the procurement team. If we are unable to continue to procure supplies at competitive prices, our margins and business will be adversely affected. Any problems faced by our supplier resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

**6. *Our Company's business operations are done PAN India specifically from Rajasthan and any downturn and/ or any economic, regulatory, social and political change in any of the Indian states in which we operate or seek to operate may affect our market share and/ or may adversely affect our business, financial condition and results of operations.***

Our Company conducts its business operations on PAN India bases. Majority of our products are sold particularly in state of Rajasthan. Any occurrence of change in the customers taste and preference and/ or any other contingencies, we may not be able to effectively sell our products in these markets and as a result our revenues and profitability may be adversely affected. This concentration of our business sales and revenues from Rajasthan, subjects us to various risks including but not limited to the risks such as reduction in the demand for our products, change in customer's requirements, high pricing of our product, entry of any other competitors, economic slowdown in Western India, regional natural disasters, political discord or riots in the region where our products are sold, constraints on our ability to diversify across states and perception by our potential clients etc. Further, any failure in expanding our revenue sources from the existing markets in which we operate may lead to loss of opportunity in earning higher revenues thereby effecting our growth, business, results of operations and financial condition.

**7. *We do not own the premises in which our registered office and factory units are located and the same are on lease arrangement. Any termination of such lease/license and/ or non-renewal thereof and attachment by Property Owner could adversely affect our operations.***

Our registered office, both our factory units are on leased and our Company has entered into an agreement with Lessors for leasing the said premises. For details, please refer to "***Our Business Overview- Our immovable properties***" page no. 120 of this Draft Prospectus. Our business operations are also conducted from the said premises. As per the lease agreement, if there are any non-compliance by us in relation to any term of lease, lease

fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations. In case, we may have to re-locate to another premise and/or agree to pay the extra amount for using the same premises. Increase in lease structure will lead to increase of our expenditure which in turn may affect our revenue and increase of operational cost. Also, searching for the suitable location, setting the branch from the scratch and relocating the inventory from location to another, may lead to loss of clients, reduction in sales thereby affecting our profitability.

- 8. *Our existing factory units are concentrated in a single region i.e., Rajasthan and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.***

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

- 9. *We have working capital requirements. If we experience insufficient cash flows to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Our Trade Receivables for the period ended September 30, 2023 and for the financial year ended March 31, 2023, March 31, 2022, March 31, 2021 were Rs. 939.32 Lakhs, Rs. 896.89 Lakhs, Rs. 749.98 Lakhs and Rs. 606.03 Lakhs respectively and our inventories for the period ended September 30, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 were Rs. 1378.80 Lakhs, Rs. 973.43 Lakhs, Rs. 844.78 Lakhs and Rs. 778.95 Lakhs respectively.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

For further details of working capital requirements, please refer to the chapter titled "*Objects of the Issue*" on page 70 of the Draft Prospectus.

- 10. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.***

Our growth strategies require us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. Our total revenue for period ended September 30, 2023 and for the period ended March 31, 2023, March 31, 2022, March 31, 2021 is Rs. 1910.20 Lakhs, Rs. 4,060.32 Lakhs, Rs. 3,471.99 and Rs. 2,293.63 Lakhs. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

Our success in implementing our growth strategies may be affected by:

- Our ability to cater to the customer requirements, tastes and preferences;
- our ability to maintain the quality of our services;
- our ability to increase our geographic presence;
- our ability to compete effectively with existing and future competitors,
- changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability.

Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability.

***11. Information relating to our installed capacities and the historical capacity utilization of our factory units included in this Draft Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.***

Information relating to our historical installed capacities and capacity utilization of our both factory units included in this Draft Prospectus is disclosed based on certificate dated 08-01-2024 as provided by the Management of the Company. For details, see “***Our Business –Capacity and Capacity Utilisation***” on page 100 of the Draft Prospectus. The fluctuation-increase or decrease in capacity utilization in any financial year is mainly dependent on the size of the projects, production cycle and the technical parameters of manufacturing the glass. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. In addition, we are unable to present the average estimated annual installed capacity for our other products category due to the nature of and the range of products included in our other products category.

***12. Some of our Group Companies are engaged in the same line of business to that of our Company and may have incurred losses in the past. There are no non-compete agreements between our Company and Promoter Group Entities and/ Promoter Group Members. However, we cannot assure that our Promoter and Promoter Group members will not favour the interests of such entities over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.***


Some of our Group Companies namely, Agarwal Float Glass India Limited and Agarwal Fortune India Limited have objects that are broadly similar to our Company although specifically our company is manufacturing specifically toughen glass only and our group companies are trading specifically float glass only. For detail on our Group Companies, please refer to “***Our Group Companies/ Entities***” beginning on page no. 138 of the Prospectus. We have not entered into any non-compete agreement with the said entities. We cannot assure that our Promoter/ Promoter Group who has common interest in said entities will not favour the interest of the said entity. As a result, conflicts of interests can arise on account of common suppliers/ customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

Further, except for Agarwal Fortune India Limited incurring loss of Rs. 31.52 Lakhs and Rs. 17.42 Lakhs in FY 2021-22 and FY 2020-21, respectively, none of our other group companies have incurred loss in the past. The loss incurred by group companies do not have any impact on overall revenue of our company. There can be no



assurance that our group companies will not incur losses in the future, which may have an adverse effect on our reputation and business.

***13. We may be able to sufficiently protect, or continue our intellectual property and other proprietary rights.***

We have registered “  ” trademark of our Company. For further details, please see “Government and Other Statutory Approvals” beginning on page 215 of this Draft Prospectus. We cannot guarantee that any of our registered or unregistered intellectual property rights or our know-how, or claims thereto, will now or in the future successfully protect what we consider to be the intellectual property underlying our products and business, or that our rights will not be opposed or otherwise challenged. While we endeavour to ensure that we comply with the intellectual property rights, there can be no assurance that we will not face any intellectual property infringement claims brought by third parties. Any claims of infringement, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims and may divert the efforts and attention of our management away from our business. Further, our registered trademark was registered and owned by our company and one of our Group Entity i.e. Agarwal Float Glass India Limited also uses the said logo. Our company has its logo and we have provided them the NOC for using the said logo. We could be required to change the name of our Company which carry the prefix "Agarwal", pay third party infringement claims or obtain fresh licenses resulting from a name change. The occurrence of any of the foregoing could result in unexpected expenses.

***14. Unsecured loans taken by our Company can be recalled by the lenders at any time.***

Our Company has currently availed unsecured loans from certain lenders. These loans may be recalled by the lenders at any time. In the event that, any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company’s liquidity. If we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, see "Financial Indebtedness" on page 210 of this Draft Prospectus.

***15. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As on September 30, 2023, our total outstanding indebtedness was Rs. 2,937.54 Lakhs which includes secured and unsecured borrowings. For details on our borrowings, please refer to chapter titles “Financial Indebtedness” beginning from page no. 210 of this Draft Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. We have received No Objection Certificate (NOC) for our proposed Initial Public offer from all our lenders. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In an event, Lenders delay in granting their NOC, it will delay our proposed Initial public offering which may delay our Schedule of Implementations and consequently impact our functioning to that extent.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company

will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

**16. We have in the past entered into related party transactions and may continue to do so in the future.**

Our Company has entered into related party transactions with our Promoters, Directors, Promoter group members in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per Ind AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For details, please refer to the " **Annexure -XXXVI-Related Party Transaction**" on page no. 194 under chapter titled "Restated Financial Statement" on page 162 of this Draft Prospectus.

**17. Our insurance coverage may not be adequate.**

Our Company has obtained insurance coverage in respect of certain risks. For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled “**Our Business**” beginning on page 97 of this Draft Prospectus. The insurance policies are renewed periodically to ensure that the coverage is adequate, however, our insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 97 of this Draft Prospectus.

**18. Our Company had negative cash flow from certain activity in recent fiscals, details of which are given below.**

Sustained negative cash flow could adversely impact our business, financial condition and results of operations. The detailed break up of cash flows is summarized in below table and our Company has reported negative cash flow from operating activity in the financial years is as mentioned below, which could affect our business and growth:

| Particulars                             | As on Sept. 30, 2023 | (Rs. In lakhs) |         |          |
|---|----------------------|----------------|---------|----------|
|   |                      | As on March 31 |         |          |
|   |                      | 2023           | 2022    | 2021     |
| Net cash flow from operating activities | 423.12               | 348.09         | (82.68) | 92.00    |
| Net cash flow from investing activities | (390.86)             | (181.07)       | (66.36) | (571.97) |
| Net cash flow from financing activities | (69.56)              | 21.07          | 118.06  | 417.87   |

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. For further, details please refer to the section titled “Financial Statements” and chapter titled “Management's Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 162 and 201 respectively, of this Draft Prospectus.

**19. Our Company has allotted Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price.**

Our Company has allotted the following Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price:

| Date of allotment | No. of Equity Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature / Reason of Allotment |
|-------------------|-------------------------------|------------------|-------------------|------------------------------|
| 30-10-2023        | 71,25,000                     | 10.00            | -                 | Bonus in the ratio 3:2       |

For Further details of equity shares issued, please refer to the section titled “Capital Structure” beginning on page no. 56 of this Draft Prospectus.

***20. Our third-party suppliers, on whom we rely for the raw material, may fail to deliver raw material of sufficient quality or in a timely manner, which could adversely affect our reputation, net sales and profitability.***

Our products are procured from third party manufacturers in respect of raw material and we constantly evaluate new suppliers. We conduct substantial investigations into our potential third-party suppliers, including on-site visits, to ensure that they meet our quality, cost, lead time, capacity and social compliance requirements, and once we have enlisted the services of a particular supplier, through various levels of oversight we monitor the quality of such supplier’s work and aim to ensure not only that such supplier completes its project(s) on time but also that the finished products match the approved sample. However, there can be no assurance that our suppliers will be able to deliver, in a timely and cost effective manner, products that meet our quality standards, which could result in damage to our customer relationships, lost sales and reduced market share and, consequently, could have an adverse effect on our net sales and profitability.

***21. We are dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations could adversely affect our business, financial condition and results of operation.***

To ensure smooth functioning of our manufacturing operations, we need to maintain continuous supply and transportation of the raw materials required from the supplier to our manufacturing unit and transportation of our products from our unit to our customers, which may be subject to various uncertainties and risks. While, we purchase raw materials on freight paid basis, however, we are dependent on third party transportation providers for the delivery of our products to our intermediaries. Uncertainties and risks such as transportation strikes or delay in supply of raw materials and products could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to maintain a continuous supply of raw materials or to deliver our products to our distribution intermediaries 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 long term agreements with our transporters for our manufacturing unit 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 transport agencies would fulfill their obligations or would not commit a breach of the understanding with us. In the event that the finished goods or raw materials suffer damage or are lost during transit, we may not be able to prosecute the agencies due to lack of formal agreements. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition.

***22. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to conversion of private company to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations. Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. These laws and regulations governing us are increasingly becoming stringent and may in

the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see “Government and Other Approvals” on page **Error! Bookmark not defined.** of this Draft Prospectus. Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

***23. We are dependent on a number of key employees, including our senior management, and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management and other senior management, including our present officers who have creative minds, specialized technical know-how. The inputs and experience of our senior management and key managerial personnel are valuable for the development of our business and operations strategy. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our ability to retain experienced staff members as well as senior management will in part depend on our maintaining appropriate staff remuneration and incentive schemes in accordance with then prevailing private sector industry standards. We cannot assure you that the remuneration and incentive schemes we have in place will be sufficient to retain the services of our senior management and skilled employees.

***24. Inability to meet the quality and quantity standard norms prescribed by the central and state governments could adversely impact the sales of our products, in particular our toughen glass products, being banned or suspended or becoming subject to significant compliance costs, which could have a material adverse effect on our business growth and prospects, results of operations, financial condition, and cash flows.***

The quality and quantity standard norms of the toughen glass products being manufactured by required the meet the basis quality standards Bureau of Indian Standards (BSI). Our Factory units are ISO 9001-2015 certified. For further details, please see “Government and Other Statutory Approvals” beginning on page 215 of this Draft Prospectus. Our company is following norms as prescribed under BIS standards and there is no violation till date. However, the government authorities could impose fines or issue us show cause notices if the samples are not in conformity with the prescribed quality and quantity norms. Till date our company has not been fined by the government authorities. Failure on our part to adhere to the quality norms prescribed by the government agencies could lead to the recall of those batches and/or the products in the relevant state, or we may be liable to pay a penalty. Any such order passed by the governmental authorities could generate adverse publicity about our Company and our products, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. Further, the quality of our products is dependent on the effectiveness of our quality control system, which, in turn, depends on a number of factors, including the design of our system, our quality control training program, and the implementation and application of our quality control policies and guidelines. Any significant failure or deterioration of our quality control system could result in defective or sub-standard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or sub-standard products. Further, any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may also lead to loss of reputation and goodwill of our Company, cancellation of orders and even lead to loss of business associates.

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

Our inventory primarily consists of float glasses (such as clear float glass, tinted float glass, reflective float glass, low-e float glass, and acid-etched float glass etc.) as raw material and the main ingredients of float glasses are silica sand, soda ash and dolomite. Our raw materials, manufacturing processes and finished products if not appropriately stored, handled and processed may affect the quality of the finished product, which could materially and adversely affect our business, financial condition, results of operations, or cash flows. Improper storage may also result in higher than usual spoilage of inventory due to adverse weather conditions or longer than usual storage

periods, which may result in cullitization of our inventory consisting of our products, and may also require us to incur additional expenses in replacing that portion of the inventory and/ or incur additional expenses in maintenance and improvement of our storage infrastructure, which may adversely affect our profit margins.

***26. In addition to normal remuneration or benefits and reimbursement of expenses, some of our directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 56 and 137, respectively, of this Draft Prospectus.

***27. Our third-party suppliers, on whom we rely for the raw material, may fail to deliver raw material of sufficient quality or in a timely manner, which could adversely affect our reputation, net sales and profitability.***

Our products are procured from third party manufacturers in respect of raw material and we constantly evaluate new suppliers. We conduct substantial investigations into our potential third-party suppliers, including on-site visits, to ensure that they meet our quality, cost, lead time, capacity and social compliance requirements, and once we have enlisted the services of a particular supplier, through various levels of oversight we monitor the quality of such supplier’s work and aim to ensure not only that such supplier completes its project(s) on time but also that the finished products match the approved sample. However, there can be no assurance that our suppliers will be able to deliver, in a timely and cost effective manner, products that meet our quality standards, which could result in damage to our customer relationships, lost sales and reduced market share and, consequently, could have an adverse effect on our net sales and profitability.

***28. We are dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations could adversely affect our business, financial condition and results of operation.***

To ensure smooth functioning of our manufacturing operations, we need to maintain continuous supply and transportation of the raw materials required from the supplier to our manufacturing unit and transportation of our products from our unit to our customers, which may be subject to various uncertainties and risks. While, we purchase raw materials on freight paid basis, however, we are dependent on third party transportation providers for the delivery of our products to our intermediaries. Uncertainties and risks such as transportation strikes or delay in supply of raw materials and products could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to maintain a continuous supply of raw materials or to deliver our products to our distribution intermediaries 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 long term agreements with our transporters for our manufacturing unit 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 transport agencies would fulfill their obligations or would not commit a breach of the understanding with us. In the event that the finished goods or raw materials suffer damage or are lost during transit, we may not be able to prosecute the agencies due to lack of formal agreements. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition.

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

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we must make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of products. This unavailability of products in high demand may depress sales volumes and adversely affect customer relationships.

Conversely, an inaccurate forecast can also result in an over-supply of products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. There may be more than one such inaccurate forecasts in one season. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

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

We may encounter problems in executing the orders in relation to our imported and exported products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, even though we execute orders with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent the delivery of the orders placed will be made. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

***31. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to conversion of private company to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations. Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see “Government and Other Approvals” on page **Error! Bookmark not defined.** of this Draft Prospectus. Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

***32. If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have an adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained all permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

For further details, see section on “Government and Other Approvals” beginning on page 215 of this Draft Prospectus.

**33. *We operate in a highly competitive industry, which could limit our ability to grow.***

The product line in which we operate is marketed by the organised and unorganized players. We sell our products in highly competitive markets, and competition in these markets is based primarily on the quality, design, range and specifications servicing, availability and pricing of such products. To remain competitive in our markets, we must continuously strive to reduce our procurement, production and distribution costs and improve our operating efficiencies. If we fail to do so, others may be able to sell their products at prices lower than our prices, which would have an adverse affect on our market share and results of operations. Also, we compete with various established players in our line of business. Some of our current and potential competitors, including MNCs, have an edge over us, on account of global expertise, longer operating histories, greater brand recognition, existing customer relationships, and significantly greater financial, marketing and other resources, all of which could have a material adverse effect on our results of operations and financial condition. They may also benefit from greater economies of scale and operating efficiencies. There can be no assurance that we can continue to effectively compete with such competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

**34. *Our manufacturing activities are dependent upon availability of skilled and unskilled labour. Further, we rely on contract labour for the performance of many of our operations.***

Our manufacturing activities are dependent on availability of skilled and unskilled labour. Non-availability of labour and/or any disputes between the labour and the management may affect our business operations. We typically enter into contracts with independent contractors for our contract employees. All contract employees engaged in our Company are assured minimum wages that are fixed by the respective state governments. Any upward revision of wages required by such state governments to be paid to such contract employees, or offer of permanent employment or the unavailability of the required number of contract employees, may adversely affect our business and results of operations.

**35. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**36. *The industry in which we operate, requires labour/ manpower and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

The industry in which we operate being labour intensive depends on labour force for carrying out its activity. Although, we have not experienced any labour unrest, as our manpower requirement is not more, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

**37. *The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed



at our stores. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this period of lockdown and relaxation, our stores were partially operational. If we do not respond appropriately to the pandemic, or if customers did not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future. We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

***38. Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed expansion, as detailed in the section titled "Objects of the Issue" is to be mainly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun, or cost overrun may adversely affect our growth plans and profitability.

***39. We have not made or identified any alternate source of financing the 'Objects of the Offer'. Further, there may be delay in raising funds from the IPO. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance.***

As on date, we have not identified or have not made any alternate arrangements for meeting our capital requirements for the objects of the Offer. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans and profitability. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page no. 70 of this Draft Prospectus.

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

The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Since this Issue Size is less than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

***41. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Offer in the manner set out in the section titled "Objects of the Issue" on page no. 70 in the Draft Prospectus. In accordance with SEBI LODR Regulations, Section 13(8) and Section 27 of the Companies Act, 2013 and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay

or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled “Objects of the Issue” on page no. 56 in the Draft Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

Further, pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Draft Prospectus, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue, our business and financial results may suffer.

***42. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet.***

We have not commissioned an industry report, for the disclosures which need to be made in the chapter titled “Industry Overview” of this Draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, the industry data mentioned in this Draft Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

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

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI (LODR) Regulations, which require us to file audited / unaudited reports periodically with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate and relevant experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner or at all.

## **RISKS RELATING TO THE EQUITY SHARES AND THE OFFER**

***44. Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the proposed Initial Public Issue, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group members will always act in the best interests of the Company.***

After the completion of our Initial Public Issue, our Promoters, along with our Promoter Group members, will hold, approximately 73.47% of our post issue paid up equity capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholder. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. We cannot assure you that our Promoters and Promoter Group members will always act in our Company's or your best interests. For further details, please refer to the chapters titled "Capital Structure" and "Our Promoter and Promoter Group", beginning on page no. 49 and 117 respectively, of this Draft Prospectus.

***45. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

***46. Our Company has not paid any dividends in the past and we may not be able to pay dividends in the future.***

We have not paid any dividends on our Equity Shares since inception and there can be no assurance that dividends will be paid in future. The declaration of dividends in the future will be recommended by our Board, at its sole discretion, and will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividend in the future. Further, we may be restricted by the terms of our debt financing from making dividend payments, in the event we default in any of the debt repayment installments.

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

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax ("STT") was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding Rs. 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. 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 a 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 seller is 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.

***48. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting an application. Retail Individual Bidders can revise their applications during the Offer Period and withdraw their applications until Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within three Working Days from the Offer Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

***49. The Equity Shares have never been publicly traded, and, after the Offer, 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 Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Emerge Platform of NSE may not develop or be sustained after the Offer. Our Company and the Lead Manager have appointed [●] as Designated Market Maker for the Equity Shares of our Company. 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 Offer Price of the Equity Shares 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 the Emerge Platform of NSE, securities markets in other jurisdictions, 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.

***50. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.***

There has been no public market for our Equity Shares prior to the Offer. The price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on Emerge Platform of NSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations, and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements of significant claims or proceedings against us;

- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

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

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of our Equity Shares.

Our performance, growth and market price of our Equity Shares are and will be dependent on the health of the Indian economy. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional, and global economies. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

***52. Changes in the regulatory framework could adversely affect our operations and growth prospects.***

The company is subject to various regulations and policies. For details see section titled "Key Industry Regulations" beginning on page no. 93 of this Draft Prospectus. The company's current businesses and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse effect on the business, financial condition and results of operations.

***53. Investors may have difficulty enforcing foreign judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and all our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("CPC") on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a

refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalty.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

## **EXTERNAL RISK FACTORS**

***54. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

Our financial statements for Fiscals 2023, 2022 and 2021 included in this Draft Prospectus are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2016)" issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Draft Prospectus.

***55. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.***

India is our key market. For Fiscal 2023, entire of our Company's revenue from operations was from India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

***56. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.***

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Draft Prospectus:

| Particulars  | No. of Equity Shares  |
|--|---|
| Equity Shares offered  | 50,40,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 96/- per Equity Share aggregating Rs. 4838.40 Lakhs |
| <b><i>Of Which:</i></b>  |   |
| Reserved for Market Makers                                     | 2,52,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 96/- per Equity Share aggregating Rs. 241.92 Lakhs   |
| Net Issue to the Public*                                       | 47,88,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 96/- per Equity Share aggregating Rs. 4596.48 Lakhs |
| <b><i>Of Which:</i></b>  |   |
| Retail Investors Portion                                       | 23,94,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 96/- per Equity Share aggregating Rs. 2298.24 Lakhs |
| Non-Retail Investors Portion                                   | 23,94,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 96/- per Equity Share aggregating Rs. 2298.24 Lakhs |
| <b><i>Pre and Post Issue Share Capital of our Company:</i></b> |   |
| Equity Shares outstanding prior to the Issue                   | 1,18,75,000 Equity Shares   |
|  |   |
| Equity Shares outstanding after the Issue                      | 1,69,15,000 Equity Shares   |
|  |   |
| Use of Issue Proceeds  | For details, please refer chapter titled ' <i>Objects of the Issue</i> ' beginning on page no. 70 of this Draft Prospectus.                                   |

The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on October 28, 2023 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held with a shorter notice on October 30, 2023, 2023 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

\* As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the Allocation' is the net issue to the public category shall be made as follows:

- a. Minimum fifty percent (50%) To Retail Individual Investors; and
- b. Remaining to:
  - (i) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
- c. The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*Explanation: If the retail individual investor category is entitled to more than fifty per cent of the issue size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

For further details please refer to chapters titled "Terms of the Issue", 'Other Regulatory and Statutory Disclosures' and "Issue Structure" beginning on page no. 232, 218 and 232, respectively of this Draft Prospectus.



## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information is derived from Restated Financial Statements for the period ended September 30, 2023 and for the financial years as on March 31, 2023, as on March 31, 2022 and as on March 31, 2021. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations, 2018.

The summary financial information presented below should be read in conjunction with the chapters titled **Restated Financial Statement** and **“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”** beginning on page no. 162 and 167 respectively of this Draft Prospectus.

### **RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Amount in Lakhs, Unless Otherwise Stated)

| Sr. No. | Particulars   | Annexure No. | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---------|---|--------------|--------------------------|----------------------|----------------------|----------------------|
|         | <b><u>EQUITY AND LIABILITIES</u></b>                  |              |                          |                      |                      |                      |
| 1)      | <b><u>Shareholders Funds</u></b>                      |              |                          |                      |                      |                      |
|         | a. Share Capital                                      | V            | 475.00                   | 475.00               | 475.00               | 475.00               |
|         | b. Reserves & Surplus                                 | VI           | 722.98                   | 288.51               | 189.11               | 139.79               |
| 2)      | <b><u>Non – Current Liabilities</u></b>               |              |                          |                      |                      |                      |
|         | a. Long-term Borrowings                               | VII          | 1457.24                  | 1,497.82             | 1,545.05             | 1,337.77             |
|         | b. Deferred Tax Liability (net)                       | XV           | -                        | -                    | -                    | -                    |
|         | c. other Non-Current Liabilities                      | VIII         | 156.01                   | 133.22               | 64.08                | 91.56                |
| 3)      | <b><u>Current Liabilities</u></b>                     |              |                          | -                    |                      |                      |
|         | a. Short Term Borrowings                              | IX           | 1,480.30                 | 1,378.86             | 1,096.87             | 985.63               |
|         | b. Trade Payables                                     | X            |                          |                      |                      |                      |
|         | - Due to Micro, Small and Medium Enterprises          |              | 22.63                    | 23.67                | 20.85                | 230.70               |
|         | - Due to Others                                       |              | 197.92                   | 128.03               | 101.72               | 120.79               |
|         | c. Other Current liabilities                          | XI           | 58.17                    | 83.46                | 97.97                | 151.27               |
|         | d. Short Term Provisions                              | XII          | 204.05                   | 51.65                | 28.64                | 4.11                 |
|         | <b>T O T A L</b>                                      |              | <b>4,774.31</b>          | <b>4,060.23</b>      | <b>3,619.29</b>      | <b>3,536.62</b>      |
|         | <b><u>ASSETS</u></b>                                  |              |                          |                      |                      |                      |
| 1)      | <b><u>Non-Current Assets</u></b>                      |              |                          |                      |                      |                      |
|         | a. Property, Plant & Equipment, and Intangible Assets | XIII         |                          |                      |                      |                      |
|         | - Property, Plant & Equipment                         |              | 1,517.31                 | 1,575.15             | 1,748.28             | 1,362.53             |
|         | - Intangible Assets                                   |              | -                        | -                    | -                    | -                    |
|         | - Capital Work-in-Progress                            | XIV          | 552.91                   | 180.18               | -                    | 522.81               |
|         | b. Deferred Tax Asset (net)                           | XV           | 29.95                    | 30.04                | 17.08                | 4.86                 |
|         | c. Long-term Loans & Advances                         | XVI          | 10.70                    | 9.22                 | 8.34                 | 1.22                 |
|         | d. Other Non-current assets                           | XVII         | 30.46                    | 20.83                | 20.83                | 21.33                |
| 2)      | <b><u>Current Assets</u></b>                          |              |                          |                      |                      |                      |
|         | a. Inventories  | XVIII        | 1,378.80                 | 973.42               | 844.78               | 778.95               |
|         | b. Trade Receivables                                  | XIX          | 939.32                   | 896.89               | 749.98               | 606.03               |
|         | c. Cash and Cash Equivalents                          | XX           | 160.64                   | 197.94               | 9.85                 | 40.84                |
|         | d. Short term loan and advances                       | XXI          | 151.39                   | 173.73               | 217.71               | 195.83               |
|         | e. Other current assets                               | XXII         | 2.83                     | 2.83                 | 2.44                 | 2.22                 |
|         | <b>T O T A L</b>                                      |              | <b>4,774.31</b>          | <b>4,060.23</b>      | <b>3,619.29</b>      | <b>3,536.62</b>      |

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVIII)

**STATEMENT OF PROFITS AND LOSSES, AS RESTATED**

(Rs. In Lakhs)

| Sr. No.  | Particulars   | Annexure No. | For the period ended September 30, 2023 | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|----------|---|--------------|---|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>A</b> | <b>INCOME</b>   |              |   |                                   |                                   |                                   |
|          | Revenue from Operations   | XXIII        | 1,868.79                                | 3,995.03                          | 3,340.94                          | 2,158.21                          |
|          | Other Income  | XXIV         | 41.41                                   | 65.29                             | 131.05                            | 135.42                            |
|          | <b>Total Income (A)</b>   |              | <b>1,910.20</b>                         | <b>4,060.32</b>                   | <b>3,471.99</b>                   | <b>2,293.63</b>                   |
| <b>B</b> | <b>EXPENDITURE</b>  |              |   |                                   |                                   |                                   |
|          | Cost of raw material consumed   | XXV          | 973.44                                  | 2,647.74                          | 2,209.55                          | 1,619.39                          |
|          | Direct Expenses   | XXVI         | 158.27                                  | 362.73                            | 359.35                            | 220.62                            |
|          | Changes in inventories of finished goods, work-in-progress and stock-in-trade | XXVII        | (176.42)                                | 97.17                             | 64.11                             | (124.95)                          |
|          | Employee benefits expense   | XXVIII       | 154.43                                  | 350.08                            | 298.45                            | 233.27                            |
|          | Finance costs   | XXIX         | 125.25                                  | 231.83                            | 220.51                            | 193.71                            |
|          | Depreciation and amortization expense   | XXX          | 75.97                                   | 174.02                            | 203.42                            | 92.06                             |
|          | Other expenses  | XXXI         | 12.14                                   | 62.42                             | 49.62                             | 30.32                             |
|          | <b>Total Expenses (B)</b>   |              | <b>1,323.08</b>                         | <b>3,925.99</b>                   | <b>3,405.01</b>                   | <b>2,264.42</b>                   |
| <b>C</b> | <b>Profit before extraordinary items and tax(A-B)</b>                         |              | <b>587.12</b>                           | <b>134.33</b>                     | <b>66.98</b>                      | <b>29.21</b>                      |
|          | Extraordinary items   |              | -                                       | -                                 | -                                 | -                                 |
| <b>D</b> | <b>Profit before tax</b>  |              | <b>587.12</b>                           | <b>134.33</b>                     | <b>66.98</b>                      | <b>29.21</b>                      |
| <b>E</b> | <b>Tax Expense:</b>   |              |   |                                   |                                   |                                   |
|          | (i) Current tax   | XXXVII       | 152.56                                  | 47.90                             | 29.88                             | 6.26                              |
|          | (ii) Deferred tax   | XV           | 0.09                                    | (12.97)                           | (12.22)                           | 2.21                              |
|          | <b>Total Expenses (E)</b>   |              | <b>152.65</b>                           | <b>34.93</b>                      | <b>17.66</b>                      | <b>8.47</b>                       |
| <b>E</b> | <b>Profit for the year (D-E)</b>  |              | <b>434.47</b>                           | <b>99.40</b>                      | <b>49.32</b>                      | <b>20.74</b>                      |
| <b>F</b> | <b>Earnings per share (Face value of ₹ 10/- each):</b>                        | XXXVI        |   |                                   |                                   |                                   |
|          | i. Basic  |              | <b>9.15</b>                             | <b>2.09</b>                       | <b>1.04</b>                       | <b>0.52</b>                       |
|          | ii. Diluted   |              | <b>9.15</b>                             | <b>2.09</b>                       | <b>1.04</b>                       | <b>0.52</b>                       |

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVIII)

**STATEMENT OF CASH FLOW, AS RESTATED**

**(Rs. In Lakhs)**

| <b>Particulars</b>   | <b>For the period<br/>ended September<br/>30,2023</b> | <b>For the year<br/>ended March<br/>31,2023</b> | <b>For the year<br/>ended March<br/>31, 2022</b> | <b>For the year<br/>ended March<br/>31, 2021</b> |
|--|---|---|--|--|
| <b>Cash Flow From Operating Activities:</b>                                    |   |   |  |  |
| Net Profit before tax as per Profit And Loss A/c                               | 587.12  | 134.33  | 66.98  | 29.21  |
| Adjustments for:   |   |   |  |  |
| Finance Cost   | 121.88  | 219.75  | 202.39   | 174.83   |
| Depreciation and Amortisation Expense  | 75.97   | 174.02  | 203.42   | 92.06  |
| Operating Profit Before Working Capital Changes                                | 784.97  | 528.10  | 472.79   | 296.10   |
| Adjusted for (Increase)/Decrease in operating assets                           |   |   |  |  |
| Inventories  | (405.38)  | (128.64)  | (65.83)  | (184.48)   |
| Trade Receivables  | (42.43)   | (146.90)  | (143.94)   | (93.21)  |
| Short Term Loans and advances  | 22.34   | 43.98   | (21.88)  | (132.22)   |
| Other Non-Current Assets   | (9.63)  | -   | 0.50   | 53.65  |
| Other Current Assets   | -   | (0.39)  | (0.22)   | 3.29   |
| Adjusted for Increase/(Decrease) in operating liabilities:                     |   |   |  |  |
| Trade Payables   | 68.85   | 29.13   | (228.92)   | 98.47  |
| Other Current Liabilities  | (16.75)   | (20.56)   | (55.23)  | 38.89  |
| Other Non-Current Liabilities  | 22.79   | 69.14   | (27.48)  | 91.56  |
| Provisions   | (0.15)  | 7.07  | (0.05)   | (60.54)  |
| Cash Generated From Operations Before Extra-Ordinary Items                     | 424.61  | 380.93  | (70.26)  | 111.51   |
| Net Income Tax paid/ refunded  | (1.49)  | (32.84)   | (12.42)  | (19.51)  |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>                  | <b>423.12</b>   | <b>348.09</b>                                   | <b>(82.68)</b>                                   | <b>92.00</b>                                     |
| Purchase of property, plant & equipment and intangible assets (including CWIP) | (390.86)  | (181.07)  | (66.36)  | (571.97)   |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>                  | <b>(390.86)</b>                                       | <b>(181.07)</b>                                 | <b>(66.36)</b>                                   | <b>(571.97)</b>                                  |
| <b>Cash Flow from Financing Activities:</b>                                    |   |   |  |  |
| Proceeds from Issue of Equity Shares   | -   | -   | -  | 75.00  |
| Proceeds /(Repayment) of Borrowings  | 60.86   | 234.77  | 318.52   | 523.33   |
| Finance Cost Paid  | (130.42)  | (213.70)  | (200.46)   | (180.46)   |
| <b>Net Cash Flow from/(used in) Financing Activities (C)</b>                   | <b>(69.56)</b>  | <b>21.07</b>                                    | <b>118.06</b>                                    | <b>417.87</b>                                    |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>          | <b>(37.30)</b>  | <b>188.09</b>                                   | <b>(30.98)</b>                                   | <b>(62.10)</b>                                   |
| <b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>                 | <b>197.94</b>   | <b>9.85</b>                                     | <b>40.84</b>                                     | <b>102.94</b>                                    |

| <b>Particulars</b>   | <b>For the period<br/>ended September<br/>30,2023</b> | <b>For the year<br/>ended March<br/>31,2023</b> | <b>For the year<br/>ended March<br/>31, 2022</b> | <b>For the year<br/>ended March<br/>31, 2021</b> |
|--|---|---|--|--|
| <b>Cash &amp; Cash Equivalents As At End<br/>of the Year</b> | <b>160.64</b>   | <b>197.94</b>                                   | <b>9.85</b>                                      | <b>40.84</b>                                     |

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVIII)

Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013

## SECTION V- GENERAL INFORMATION

Our Company was incorporated as “Agarwal Toughened Glass India Private Limited”, Company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 30, 2009, issued by the Registrar of Companies, Jaipur, Rajasthan, India. Subsequently, our company was converted into Public Limited Company and the name of the Company was changed from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on January 30, 2023, and had received Certificate of Incorporation dated March 06, 2023, issued by the Registrar of Companies, Jaipur, Rajasthan, India.

### Registered Office of our Company

**CIN** : U26109RJ2009PLC030153  
**Registration No.** : 030153  
**Address** : F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India  
**Tel No.** : +91 7230043212  
**Email Id** : [cs\\_complianceofficer@agarwaltuff.com](mailto:cs_complianceofficer@agarwaltuff.com)  
**Website** : [www.agarwaltuff.com](http://www.agarwaltuff.com)  
**Contact Person** : Ms. Neha Rajendra Singh Jadoun

### Address of the Registrar of Companies

**Address** : Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur - 302001, Rajasthan, India  
**Tel No.** : 141 2222465/ 2222466  
**Email Id** : [roc.jaipur@mca.gov.in](mailto:roc.jaipur@mca.gov.in)  
**Website** : [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

Our Company proposed to list its Equity Shares on the **Emerge Platform of NSE Limited** located at Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai – 400051.

### OUR BOARD OF DIRECTORS

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

| Sr. No. | Name of Director                   | Designation                        | DIN      | Address   |
|---------|------------------------------------|------------------------------------|----------|---|
| 1.      | Mrs. Anita Uma Shankar Agarwal     | Chairman cum Managing Director     | 09740258 | 70, Gopalpura Bypass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India |
| 2.      | Mr. Uma Shankar Sanwarmal Agarwal  | Non-Executive Director             | 02806077 | 70, Gopalpura Bypass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India |
| 3.      | Mr. Mahesh Kumar Sanwarmal Agarwal | Executive Director                 | 02806108 | 70, Gopalpura Bypass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India |
| 4.      | Mr. Nitin Ghanshyam Hotchandani    | Non-Executive Independent Director | 08569325 | B-230, Malviya Nagar, Kardhani Shopping Center, Jaipur – 302017, Rajasthan, India               |
| 5.      | Ms. Shalini Ashok Kumar Sharma     | Non-Executive Independent Director | 08494127 | 2418, 2 Crossing, Bhindo Ka Rasta, Chandpole Bajar, Jaipur - 302017, Rajasthan, India           |

| Sr. No. | Name of Director                     | Designation                              | DIN      | Address  |
|---------|--------------------------------------|--|----------|--|
| 6.      | Mr. Ravi Kumar<br>Manohar Lal Torani | Non-Executive<br>Independent<br>Director | 06976749 | 2-Gh-35, Shri Ram Vihar Colony, Vaishali Nagar, Ajmer – 305001, Rajasthan, India |

For detailed profile of our Board of Directors, refer to chapter titled **‘Our Management’** on page no. 137 of this Draft Prospectus.

#### COMPANY SECRETARY & COMPLIANCE OFFICER

**NAME** : **MR. NEHA RAJENDRA JADOUN**  
**Address** : F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India  
**Tel No.** : +91 7230043212  
**Email Id** : [cs\\_complianceofficer@agarwaltuff.com](mailto:cs_complianceofficer@agarwaltuff.com)  
**Website** : [www.agarwaltuff.com](http://www.agarwaltuff.com)

#### CHIEF FINANCIAL OFFICER

**Name** : **MR. MANGAL RAM GOPIRAM PRAJAPATI**  
**Address** : F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India  
**Tel No.** : +91 7230043212  
**Email Id** : [CFO@agarwaltuff.com](mailto:CFO@agarwaltuff.com)  
**Website** : [www.agarwaltuff.com](http://www.agarwaltuff.com)

#### LEAD MANAGER FOR THE COMPANY

**Name** : **FIRST OVERSEAS CAPITAL LIMITED**  
**Registered Office** : 1-2 Bhupen Chambers, Ground Floor, Dalal Street, Mumbai-400 001  
**Tel No.** : +91 22 40509999  
**Email Id** : [mb@focl.in](mailto:mb@focl.in)  
**Contact Person** : Mr. Satish Sheth  
**Website** : [www.focl.in](http://www.focl.in)  
**SEBI Registration No.** : INM000003671

#### REGISTRAR TO THE ISSUE

**Name** : **KFIN TECHNOLOGIES LIMITED**  
**Address** : Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Telangana, India  
**Tel No.** : +91 40 6716 2222  
**Email Id** : [atgil.ipo@kfintech.com](mailto:atgil.ipo@kfintech.com)  
**Investor grievance e-mail** : [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**Contact Person** : Mr. M Murali Krishna  
**Website** : [www.kfintech.com](http://www.kfintech.com)  
**SEBI Registration No.** : INR000000221

#### Note:

Investors may contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue, i.e. and/ or the Lead Manager, 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, or/and non-receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same. Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

#### **LEGAL ADVISOR TO THE COMPANY**

**Name** : **M/S. KAPIL TOTLA**  
**Address** : LB-3 Krishna apartment C-4 Hathi Babu Marg, Banipark, Jaipur – 302016, Rajasthan, India  
**Tel No.** : +91 9829135775  
**Contact Person** : Mr. Kapil Totla  
**Email Id** : kapil\_totla@yahoo.co.in  
**License** : No. R/659/2004

#### **LEGAL ADVISOR TO THE ISSUE**

**Name** : **M/S. T&S LAW**  
**Address** : Near VVIP Mall, Raj Nagar Extension, Ghaziabad – 201 017, Uttar Pradesh, India  
**Tel No.** : +91 959 922 9770  
**Contact Person** : Ms. Sagarika Kapoor  
**Email Id** : info.tandslaw@gmail.com

#### **STATUTORY AND PEER REVIEW AUDITOR OF THE COMPANY**

**Name** : **M/S. JETHANI AND ASSOCIATES, CHARTERED ACCOUNTANT**  
**Address** : 454, Bees Dukan, Adarsh Nagar, Jaipur – 302004, Rajasthan, India  
**Tel No.** : +91-141-4032778 / +91 9314506944  
**Email Id** : jethanica@gmail.com  
**Contact Person** : Mr. Umesh Kumar Jethani  
**Membership No.** : 400485  
**Firm Registration No.** : 010749C  
**Peer reviewed Certificate No** : 014525 (valid till 31-08-2025 )

#### **BANKER(S) TO THE COMPANY**

**Name** : **HDFC BANK LIMITED**  
**Address** : F-129, RIICO Industrial Area, Sitapura, Sanganeer, Jaipur - 302022  
**Tel No.** : +91-8740863128  
**Email Id** : sonam.bhopani@hdfcbank.com  
**Contact Person** : Ms. Sonam Bhopani  
**Website** : www.hdfcbank.com  
**CIN** : L65920MH1994PLC080618

**Name** : **SMALL INDUSTRIAL DEVELOPMENT BANK OF INDIA**  
**Address** : G-1/43, Sitapura Industrial Area, Jaipur – 302022, Rajasthan, India  
**Tel No.** : +91-9096893176  
**Email Id** : atulp@sidbi.in  
**Contact Person** : Mr. Atul Santosh Pardeshi  
**Website** : www.sidbi.in/en  
**CIN** : U67190MH1999PLC120866

**Name** : **AU SMALL FINANCE BANK**

**Address** : No. CP3/235, Ground Floor, Mahal Road, Industrial Area, Jagatpura, Jaipur – 302022, Rajasthan, India  
**Tel No.** : 180012001200  
**Email Id** : himanshu.vijayvargia@aubank.in  
**Contact Person** : Mr. Himanshu Vijayvargia  
**Website** : www.aubank.in  
**CIN** : L36911RJ1996PLC011381

#### **BANKER(S) TO THE ISSUE/ SPONSOR BANKER/ ESCROW COLLECTION BANK/REFUND BANK**

**Name** : [•]  
**Address** : [•]  
**Tel No.** : [•]  
**Email Id** : [•]  
**Contact Person** : [•]  
**Website** : [•]  
**SEBI Registration No.** : [•]

#### **UNDERWRITER (S) TO THE ISSUE**

**Name** : [•]  
**Address** : [•]  
**Tel No.** : [•]  
**Email Id** : [•]  
**Contact Person** : [•]  
**Website** : [•]  
**SEBI Registration No.** : [•]

#### **MARKET MARKER(S) TO THE ISSUE**

**Name** : [•]  
**Address** : [•]  
**Tel No.** : [•]  
**Email Id** : [•]  
**Contact Person** : [•]  
**Website** : [•]  
**SEBI Registration No.** : [•]

#### **Changes in Auditors during the last Three Financial Years**

There have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Prospectus except as set out below:

| <b>Name of the Auditor</b>   | <b>Date of appointment</b> | <b>Date of Cessation</b> | <b>Reason for resignation</b> |
|--|----------------------------|--------------------------|-------------------------------|
| <b>Name: M/S. JETHANI AND ASSOCIATES</b><br><b>Address: 454, Bees Dukan, Adarsh Nagar, Jaipur – 302004, Rajasthan, India</b><br><b>Contact Person: Mr. Umesh Kumar Jethani</b><br><b>Email Id: <a href="mailto:jethanica@gmail.com">jethanica@gmail.com</a></b><br><b>Tel No.: +91-141-4032778/ +91 9314506944</b><br><b>Firm Registration No.: 010749C</b><br><b>Membership No.: 400485</b><br><b>Period of account for which appointed- FY 2023-2024</b> | 28-03-2023                 | NA                       | NA                            |
| <b>Name: M/S. PIYUSH KOTHARI &amp; ASSOCIATES</b>  | 28-09-2022                 | 28-03-2023               | Due to preoccupation, not     |



| Name of the Auditor  | Date of appointment | Date of Cessation | Reason for resignation   |
|--|---------------------|-------------------|--|
| <b>Address:</b> Office No. 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad – 380009, Gujarat, India<br><b>Contact Person:</b> Mr. Piyush Kothari<br><b>Email Id:</b> <a href="mailto:piyushkothari9999@gmail.com">piyushkothari9999@gmail.com</a><br><b>Tel No.:</b> +91 8849398150<br><b>Firm Registration No.:</b> 140711W<br><b>Membership No.:</b> 158407<br><b>Period of account for which appointed- FY 2022-2023</b> |                     |                   | able to conduct audit/devote time to the affairs of the Company  |
| <b>Name:</b> MR. HARISH SHARMA,<br><b>Address:</b> F-15, Kumawat School Building, Ajmer Road, Sodala, Jaipur – 302006, Rajasthan, India<br><b>Contact Person:</b> Mr. Harish Sharma<br><b>Email Id:</b> <a href="mailto:cabagra@gmail.com">cabagra@gmail.com</a><br><b>Tel No.:</b> +91 9680006926<br><b>Firm Registration No.:</b> NA<br><b>Membership No.:</b> 403129<br><b>Period of account for which appointed- FY 2021-2022</b>                      | 27-08-2022          | 28-09-2022        | Appointment as the statutory auditor to fill-in the casual vacancy caused due to change in constitution of the firm.       |
| <b>Name:</b> M/S. R. SHAH & CO.,<br><b>Address:</b> F-15, Kumawat School Building, Ajmer Road, Sodala, Jaipur – 302006, Rajasthan, India<br><b>Contact Person:</b> Mr. Harish Sharma<br><b>Email Id:</b> <a href="mailto:cabagra@gmail.com">cabagra@gmail.com</a><br><b>Tel No.:</b> +91 9680006926<br><b>Firm Registration No.:</b> N A<br><b>Membership No.:</b> 403129<br><b>Period of account for which appointed- FY 2020-2021</b>                    | 01-04-2020          | 30-07-2022        | Casual vacancy due to change in constitution of the firm and conversion from a partnership firm into a sole proprietorship |

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

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <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=40and> (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time. 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](http://www.sebi.gov.in)) and it's updated from time to time. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

#### Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE i.e., [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

## **Collecting Depository Participants**

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 websites of Stock Exchange [www.nseindia.com](http://www.nseindia.com) as updated from time to time. 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](http://www.sebi.gov.in) and updated from time to time.

## **Credit Rating**

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

## **Debenture Trustees**

This is being an Issue of Equity Shares; the appointment of Debenture trustee is not mandatory.

## **IPO Grading**

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

## **Statement of Responsibility of the Lead Manager/ Statement of inter se allocation of responsibilities for the Issue**

Since, First Overseas Capital Limited is the sole Lead Manager to the Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

## **Appraisal and Monitoring Agency**

As per Regulation 262(1) of SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the issue size is below Rs. 10,000 Lakhs. Since this Issue Size is less than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Section 177 of the Companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

## **Expert Opinion**

Our Company has received written consent dated November 20, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and such consent has not been withdrawn as on the date of this Prospectus and has consent to the inclusion of the following reports/certificates in the prospectus relating to:

1. Restated audited financial statements dated December 01, 2023 of the Company audited by us as required by the provisions of Section 26 of the Companies Act, 2013, and the rules and regulations thereunder, each as amended, and presented pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended,
2. Report on the “Statement of Tax Benefits” dated December 01, 2023.
3. Certificate on “delay in payment of statutory dues during last 3 financial years and as on September 30, 2023” dated December 01, 2023.
4. Certificate on “Key Performance Indicators” dated December 01, 2023.
5. Certificate on “Deployment of Funds till November 30, 2023” dated December 01, 2023.
6. Certificate on “Cost of acquisition of shares by Promoters” dated December 01, 2023.

## **Filing of Draft Prospectus**

The copy of the Draft Prospectus will be filed with the Designated Stock Exchange, in our case, it shall be Emerge Platform of National Stock Exchange of India Limited. The Draft Prospectus shall not be filed with SEBI, nor shall SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR), 2018. However,

pursuant to Regulation 246(5), the soft copy of Prospectus shall be submitted to SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

Further, pursuant to SEBI Circular Number CFD/DIL1/CIR/P/2019/0000000154 dated December 11, 2019, a copy of the Prospectus along with the due diligence certificate including additional confirmations required to be filed under Section 26 and 32 of the Companies Act, 2013 will be filed with SEBI.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Draft Prospectus, will be delivered to the ROC Office situated at Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur - 302001, Rajasthan, India.

### Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated [•] Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Details of the Underwriters | No. of Equity Shares underwritten * | Amount Underwritten | % Of the total Issue Size Underwritten |
|-----------------------------|-------------------------------------|---------------------|--|
| [•]                         | [•]                                 | [•]                 | [•]                                    |

*\* Includes 2,52,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter, the resources of the above-mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

### Details of the Market Making Arrangement for the Issue

Our Company and the Lead Manager have entered into an agreement dated [•] with the following Market Maker, duly registered with NSE to fulfill the obligations of Market Making:

**Name** : [•]  
**Address** : [•]  
**Tel No.** : [•]  
**Email Id** : [•]  
**Investor Grievance** : [•]  
**Contact Person** : [•]  
**Website** : [•]  
**SEBI Registration No.** : [•]  
**CIN** : [•]

[•], registered with Emerge Platform of NSE 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.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018, and its amendments thereto and the circulars issued by the NSE and SEBI regarding this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by Stock Exchange. Further, the Market Maker shall inform Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
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 NSE and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the Emerge Platform of NSE (in this case currently the minimum trading lot size is 2,000 Equity Shares; however, the same may be changed by the Emerge Platform of NSE 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 Equity Shares of Market Maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of Market Maker in our Company reduce to 14%, the market maker will resume providing 2-way quotes.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by them.
7. There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
8. There would not be more than (5) five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
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 SEBI and Emerge Platform of NSE.
10. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
11. On the day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
12. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
13. In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.
14. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

15. The Market Maker(s) shall have the right to terminate said arrangement by giving three-month notice or on mutually acceptable terms to the Lead Manager/Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
16. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager/Merchant Banker to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager/Merchant Banker reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
17. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
18. **Punitive Action in case of default by Market Makers:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

19. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 Crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

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

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

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

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

| <b>Issue Size</b>     | <b>Buy quote exemption threshold<br/>(including mandatory initial<br/>inventory of 5% of the Issue Size)</b> | <b>Re-Entry threshold for buy quote<br/>(including mandatory initial<br/>inventory of 5% of the Issue Size)</b> |
|-----------------------|--|---|
| Up to Rs.20 Crores    | 25%  | 24%   |
| Rs.20 to Rs.50 Crores | 20%  | 19%   |
| Rs.50 to Rs.80 Crores | 15%  | 14%   |
| Above Rs.80 Crores    | 12%  | 11%   |

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

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

## SECTION VI- CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus is set forth below:

(Rs. In Lakhs)

| Sr. No.   | Particulars  | Aggregate Value at Nominal Value | Aggregate Value at Issue price |
|-----------|--|----------------------------------|--------------------------------|
| <b>A.</b> | <b>Authorized Share Capital</b>  |                                  |                                |
|           | 2,00,00,000 Equity Shares of Rs. 10/- each   | 2000.00                          | -                              |
| <b>B.</b> | <b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>   |                                  |                                |
|           | 1,18,75,000 Equity Shares of Rs. 10/- each   | 1187.50                          | -                              |
| <b>C.</b> | <b>Present Issue in terms of this Draft Prospectus</b>   |                                  |                                |
|           | Issue of 50,40,000 Equity Shares of face value of Rs. 10/- each at a Issue price of Rs.96/- per Equity Share   | 504.00                           | 4334.40                        |
|           | <i>Which comprises:</i>  |                                  |                                |
|           | <b>(a) Reservation for Market Maker(s)</b> 2,52,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 96/- per Equity Share  | 25.20                            | 216.72                         |
|           | <b>(b) Net Issue to the Public</b> of 47,88,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 96/- per Equity Share   | 478.80                           | 4117.68                        |
|           | <b>Of the Net Issue to the Public*</b>   |                                  |                                |
|           | 23,94,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 96/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. <b>2.00 Lakhs (Retail Individual Investors)</b>            | 239.40                           | 2058.84                        |
|           | 23,94,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 96/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. <b>2.00 Lakhs (Other than Retail Individual Investors)</b> | 239.40                           | 2058.84                        |
| <b>D.</b> | <b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>  |                                  |                                |
|           | 1,69,15,000 Equity Shares of Rs. 10/- each   | 1691.50                          | -                              |
| <b>E.</b> | <b>Securities Premium Account</b>  |                                  |                                |
|           | Before the Issue   | 10.48                            |                                |
|           | After the Issue  | 4344.88                          |                                |

The Present Issue has been authorized pursuant to a resolution of our Board dated October 28, 2023 and by Special Resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of our shareholders held on October 30, 2023.

### Class of Shares

The company has only one class of shares i.e. Equity shares of Rs. 10.00/- each only and all Equity Shares are ranked pari-passu in all respect.

All Equity Shares issued are fully paid-up as on date of the Draft Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of change in Authorized Share Capital of our Company:

Since the incorporation of our Company, the authorized Share Capital of our Company has been altered in the manner set forth below:

| <b>Particulars (No. of Equity Shares of FV of Rs. 10 each)</b> |             | <b>Date of Meeting</b> | <b>Type of Meeting</b> |
|--|-------------|------------------------|------------------------|
| <b>From</b>  | <b>To</b>   |                        |                        |
| ---  | 50,000      | 30-10-2009             | On Incorporation       |
| 50,000   | 22,50,000   | 17-03-2014             | EGM                    |
| 22,50,000  | 25,00,000   | 30-10-2015             | EGM                    |
| 25,00,000  | 28,00,000   | 28-07-2017             | EGM                    |
| 28,00,000  | 32,00,000   | 09-03-2018             | EGM                    |
| 32,00,000  | 40,00,000   | 30-03-2019             | EGM                    |
| 40,00,000  | 50,00,000   | 24-03-2021             | EGM                    |
| 50,00,000  | 1,50,00,000 | 15-09-2022             | EGM                    |
| 1,50,00,000  | 2,00,00,000 | 30-01-2023             | EGM                    |

2. **History of Issued and Paid Up Equity Share Capital of our Company is set forth below:**

| <b>Sr. No.</b> | <b>Date of Allotment of Equity Shares</b> | <b>No. of shares Allotted</b> | <b>Cumulative No. of Equity Shares</b> | <b>Face Value (Rs.)</b> | <b>Issue Price (Rs.)</b> | <b>Consideration (Cash, Bonus, Consideration other than cash)</b> | <b>Cumulative Share Capital (Rs.)</b> | <b>Nature / Reason of Allotment</b>             |
|----------------|---|-------------------------------|--|-------------------------|--------------------------|---|---------------------------------------|---|
| 1              | 30-10-2009                                | 50,000                        | 50,000                                 | 10                      | 10                       | Cash  | 5,00,000                              | Subscription to MOA                             |
| 2              | 29-03-2014                                | 19,45,000                     | 19,95,000                              | 10                      | 10                       | Cash  | 1,99,50,000                           | Further Allotment                               |
| 3              | 09-11-2015                                | 2,15,279                      | 22,10,279                              | 10                      | 10                       | Cash  | 2,21,02,790                           | Further Allotment                               |
| 4              | 17-11-2015                                | 1,60,000                      | 23,70,279                              | 10                      | 10                       | Cash  | 2,37,02,790                           | Further Allotment                               |
| 5              | 25-12-2015                                | 1,20,000                      | 24,90,279                              | 10                      | 10                       | Cash  | 2,49,02,790                           | Further Allotment                               |
| 6              | 22-09-2017                                | 2,80,121                      | 27,70,400                              | 10                      | 10                       | Cash  | 2,77,04,000                           | Further Allotment                               |
| 7              | 31-03-2018                                | 2,29,600                      | 30,00,000                              | 10                      | 10                       | Cash  | 3,00,00,000                           | Further Allotment                               |
| 8              | 31-03-2019                                | 10,00,000                     | 40,00,000                              | 10                      | 10                       | Cash  | 4,00,00,000                           | Allotment against conversion of unsecured loans |
| 9              | 27-03-2021                                | 7,50,000                      | 47,50,000                              | 10                      | 10                       | Cash  | 4,75,00,000                           | Allotment against conversion of unsecured loans |
| 10             | 30-10-2023                                | 71,25,000                     | 1,18,75,000                            | 10                      | -                        | Other than Cash   | 11,87,50,000                          | Bonus in the ratio 3:2                          |

2.1 Initial Allotment/ Subscribers to Memorandum of Association are as on October 30, 2009:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b>      | <b>No. of shares Allotted</b> |
|----------------|------------------------------------|-------------------------------|
| 1.             | Mr. Uma Shankar Sanwarmal Agarwal  | 25,000                        |
| 2.             | Mr. Mahesh Kumar Sanwarmal Agarwal | 25,000                        |
|                | <b>Total</b>                       | <b>50,000</b>                 |

2.2 Further Allotment of 19,45,000 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a private placement basis to following Allottee`s as on March 29, 2014:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b>      | <b>No. of shares Allotted</b> |
|----------------|------------------------------------|-------------------------------|
| 1.             | Mrs. Anita Uma Shankar Agarwal     | 1,05,000                      |
| 2.             | Mr. Mahesh Kumar Sanwarmal Agarwal | 90,000                        |
| 3.             | Mr. Sanwarmal Surajmal Agarwal     | 60,000                        |
| 4.             | Mrs. Sharda Mahesh Kumar Agarwal   | 30,000                        |
| 5.             | Mrs. Sharda Devi Sanwarmal Agarwal | 60,000                        |
| 6.             | Mr. Uma Shankar Sanwarmal Agarwal  | 16,00,000                     |
|                | <b>Total</b>                       | <b>19,45,000</b>              |



- 2.3 Further Allotment of 2,15,279 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a private placement basis to following Allottee's as on November 09, 2015:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b>      | <b>No. of shares Allotted</b> |
|----------------|------------------------------------|-------------------------------|
| 1.             | Mr. Uma Shankar Sanwarmal Agarwal  | 32,100                        |
| 2.             | Mr. Mahesh Kumar Sanwarmal Agarwal | 1,18,179                      |
| 3.             | Mr. Ishwar Lal Saini               | 25,000                        |
| 4.             | Mr. Ramji Lal Prajapati            | 40,000                        |
|                | <b>Total</b>                       | <b>2,15,279</b>               |

- 2.4 Further Allotment of 1,60,000 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a private placement basis to following Allottee's as on November 17, 2015:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b>    | <b>No. of shares Allotted</b> |
|----------------|----------------------------------|-------------------------------|
| 1.             | Mrs. Sharda Mahesh Kumar Agarwal | 1,00,000                      |
| 2.             | Mr. Rajesh Agarwal               | 30,000                        |
| 3.             | Mr. Makkhan Lal Agarwal          | 20,000                        |
| 4.             | Mr. Dharmendra Singh             | 10,000                        |
|                | <b>Total</b>                     | <b>1,60,000</b>               |

- 2.5 Further Allotment of 1,20,000 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a private placement basis to following Allottee's as on December 25, 2015:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b>  | <b>No. of shares Allotted</b> |
|----------------|--------------------------------|-------------------------------|
| 1              | Mrs. Anita Uma Shankar Agarwal | 30,000                        |
| 2              | Mr. Dharmendra Singh           | 20,000                        |
| 3              | Mr. Mahesh Chand Jain          | 20,000                        |
| 4              | Mr. Ramkisan Mahavar           | 20,000                        |
| 5              | Mr. Rajender Kumar Jaga        | 20,000                        |
| 6              | Mr. Rajesh Agarwal             | 10,000                        |
|                | <b>Total</b>                   | <b>1,20,000</b>               |

- 2.6 Further Allotment of 2,80,121 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a private placement basis to following Allottee's as on September 22, 2017:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b>      | <b>No. of shares Allotted</b> |
|----------------|------------------------------------|-------------------------------|
| 1              | Mr. Mahesh Kumar Sanwarmal Agarwal | 60,121                        |
| 2              | Mrs. Sharda Devi Sanwarmal Agarwal | 20,000                        |
| 3              | Mrs. Sharda Mahesh Kumar Agarwal   | 2,00,000                      |
|                | <b>Total</b>                       | <b>2,80,121</b>               |

- 2.7 Further Allotment of 2,29,600 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a private placement basis to following Allottee's as on March 31, 2018:

| <b>Sr. No.</b> | <b>Name of the Allottee`s</b> | <b>No. of shares Allotted</b> |
|----------------|-------------------------------|-------------------------------|
| 1              | Mr. Surendra Kumar Agarwal    | 2,29,600                      |
|                | <b>Total</b>                  | <b>2,29,600</b>               |

- 2.8 Further Allotment of 10,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a conversion of Unsecured Loan to following Allottee's as per the Board Resolution passed at the meeting held on March 31, 2019:

| Sr. No. | Name of the Allottee's           | No. of shares Allotted |
|---------|----------------------------------|------------------------|
| 1       | Mrs. Sharda Mahesh Kumar Agarwal | 10,00,000              |
|         | <b>Total</b>                     | <b>10,00,000</b>       |

- 2.9 Further Allotment of 7,50,000 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par on a conversion of Unsecured Loan to following Allottee's as per the Board Resolution passed at the meeting held on March 27, 2021:

| Sr. No. | Name of the Allottee's             | No. of shares Allotted |
|---------|------------------------------------|------------------------|
| 1       | Mr. Mahesh Kumar Sanwormal Agarwal | 5,00,000               |
| 2       | Mr. Uma Shankar Sanwormal Agarwal  | 1,20,000               |
| 3       | Mrs. Sharda Mahesh Kumar Agarwal   | 1,30,000               |
|         | <b>Total</b>                       | <b>7,50,000</b>        |

- 2.10 Further Allotment of 71,25,000 Equity Shares of Face Value of Rs. 10/- each fully paid issued at par as Bonus Issue on the basis of Fresh Three Equity Shares to be allotted to existing Two Equity Shares held by shareholders as on October 28, 2023, and following Allottee's has been allotted on October 30, 2023:

| Sr. No. | Name of the Allottee's             | No. of shares Allotted |
|---------|------------------------------------|------------------------|
| 1       | Mr. Uma Shankar Sanwormal Agarwal  | 2,65,650               |
| 2       | Mr. Mahesh Kumar Sanwormal Agarwal | 20,29,950              |
| 3       | Mrs. Anita Uma Shankar Agarwal     | 10,27,500              |
| 4       | Mrs. Sharda Mahesh Kumar Agarwal   | 26,40,000              |
| 5       | Mrs. Sharda Devi Sanwormal Agarwal | 4,95,000               |
| 6       | Mr. Surendra Kumar Agarwal         | 3,44,400               |
| 7       | Ms. Palak Mahesh Kumar Agarwal     | 90,000                 |
| 8       | Mr. Mayur Uma Shankar Agarwal      | 2,32,500               |
|         | <b>Total</b>                       | <b>71,25,000</b>       |

**3. Equity Shares issued for consideration other than cash by Our Company:**

Other than the Equity Shares as mentioned in point no. 2.8, 2.9 and 2.10 above, our Company has not allotted any Equity Shares for consideration other than cash, since its incorporation.

**4. Issuance of Shares in the preceding two (2) years:**

Except as mentioned below, our Company has not issued any equity shares during a period of two (2) years preceding the date of the Draft Prospectus:

| Date of allotment | No. of Equity Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature / Reason of Allotment | Nature of Consideration         |
|-------------------|-------------------------------|------------------|-------------------|------------------------------|---------------------------------|
| 30-10-2023        | 71,25,000                     | 10.00            | 50.00             | Further Issue                | Bonus Issue in the ratio of 3:2 |

**5. Issue of Equity Shares in the last one (1) year at a Price lower than the Offer Price:**

Except as mentioned below, our Company has not issued any Equity Shares were issued in last one year immediately preceding the date of the Draft Prospectus at a price which is lower than the Offer Price.

| Date of allotment | No. of Equity Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature / Reason of Allotment | Nature of Consideration         |
|-------------------|-------------------------------|------------------|-------------------|------------------------------|---------------------------------|
| 30-10-2023        | 71,25,000                     | 10.00            | 50.00             | Further Issue                | Bonus Issue in the ratio of 3:2 |

6. Our Company has not revalued its assets since inception.
7. Our Company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation of reserves.
8. Our Company has not made any allotment of Equity Shares pursuant to any scheme approved under Section Sections 391 to 394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of the Draft Prospectus.
9. 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.
10. As on the date of filing of this Draft Prospectus, there are no partly paid-up shares, outstanding convertible securities, warrants or outstanding warrants, options or rights to convert debentures in our Company or loans or other financial instruments into our equity shares.
11. There are no equity shares against which depository receipts have been issued.
12. As on the date filing this Draft Prospectus, other than the equity shares, there are no other class of securities issued by our Company. Further, our Company does not have any preference share capital as on the date filing this Draft Prospectus.
13. All the Equity Shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
14. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
15. **Capital Build-up of our Promoters shareholding in the Company**

As on the date of this Draft Prospectus, our Promoters together hold 55,38,500 Equity Shares having face value of Rs. 10.00 per share and representing 46.64% of the pre-issue Paid up Capital of our Company.

| Date of Allotment/ Transfer       | No. of Equity Shares Allotted | FV (Rs.) | Issue Price/ Transfer Price/ Acquisition Price (Rs.) | Nature of Consid eration | Nature of Consideration/ Allotment/ Acquired/ Transfer | % of the Paid-up Capital |            |
|-----------------------------------|-------------------------------|----------|--|--------------------------|--|--------------------------|------------|
|                                   |                               |          |  |                          |  | Pre-Issue                | Post-Issue |
| Mrs. Anita Uma Shankar Agarwal    |                               |          |  |                          |  |                          |            |
| 29-03-2014                        | 1,05,000                      | 10.00    | 10.00  | Cash                     | Further Allotment                                      | 0.08                     | 0.06       |
| 25-12-2015                        | 30,000                        | 10.00    | 10.00  | Cash                     | Further Allotment                                      | 8.15                     | 5.86       |
| 19-11-2016                        | 3,00,000                      | 10.00    | 10.00  | Cash                     | Transferred from Mr. Uma Shankar Sanwarmal Agarwal     | 5.91                     | 4.25       |
| 30-03-2017                        | 2,50,000                      | 10.00    | 10.00  | Cash                     | Transferred from Mr. Uma Shankar Sanwarmal Agarwal     | 14.06                    | 10.11      |
| 30-10-2023                        | 10,27,500                     | 10.00    | -  | Cash                     | Bonus in the ratio of 3:2                              | 14.06                    | 10.11      |
| Total                             | 17,12,500                     |          |  |                          |  | 14.42                    | 10.12      |
| Mr. Uma Shankar Sanwarmal Agarwal |                               |          |  |                          |  |                          |            |
| 30-10-2009                        | 25,000                        | 10.00    | 10.00  | Cash                     | Subscription to MOA                                    | 0.21                     | 0.15       |
| 29-03-2014                        | 16,00,000                     | 10.00    | 10.00  | Cash                     | Further Allotment                                      | 13.48                    | 9.46       |

| Date of Allotment/ Transfer               | No. of Equity Shares Allotted | FV (Rs.) | Issue Price/ Transfer Price/ Acquisition Price (Rs.) | Nature of Consideration | Nature of Consideration/ Allotment/ Acquired/ Transfer | % of the Paid-up Capital |              |
|---|-------------------------------|----------|--|-------------------------|--|--------------------------|--------------|
|   |                               |          |  |                         |  | Pre-Issue                | Post-Issue   |
| 09-11-2015                                | 32,100                        | 10.00    | 10.00  | Cash                    | Further Allotment                                      | 0.27                     | 0.19         |
| 19-11-2016                                | (3,00,000)                    | 10.00    | 10.00  | Cash                    | Transferred to Mrs. Anita Uma Shankar Agarwal          | (2.53)                   | (1.77)       |
| 19-11-2016                                | (3,00,000)                    | 10.00    | 10.00  | Cash                    | Transferred to Mrs. Sharda Mahesh Kumar Agarwal        | (2.53)                   | (1.77)       |
| 30-03-2017                                | (2,50,000)                    | 10.00    | 10.00  | Cash                    | Transferred to Mrs. Anita Uma Shankar Agarwal          | (2.11)                   | (1.48)       |
| 30-03-2017                                | (5,00,000)                    | 10.00    | 10.00  | Cash                    | Transferred to Mr. Mahesh Kumar Sanwarmal Agarwal      | (4.21)                   | (2.96)       |
| 30-03-2017                                | (2,50,000)                    | 10.00    | 10.00  | Cash                    | Transferred to Mrs. Sharda Devi Sanwarmal Agarwal      | (2.11)                   | (1.48)       |
| 27-03-2021                                | 1,20,000                      | 10.00    | 10.00  | Cash                    | Allotment against conversion of unsecured loans        | 1.01                     | 0.71         |
| 30-10-2023                                | 2,65,650                      | 10.00    | Nil  | Other than Cash         | Bonus in the ratio of 3:2                              | 2.25                     | 1.57         |
| <b>Total</b>                              | <b>4,42,750</b>               |          |  |                         |  | <b>3.73</b>              | <b>2.62</b>  |
| <b>Mr. Mahesh Kumar Sanwarmal Agarwal</b> |                               |          |  |                         |  |                          |              |
| 30-10-2009                                | 25,000                        | 10.00    | 10.00  | Cash                    | Subscription to MOA                                    | 0.21                     | 0.15         |
| 29-03-2014                                | 90,000                        | 10.00    | 10.00  | Cash                    | Further Allotment                                      | 0.76                     | 0.53         |
| 09-11-2015                                | 1,18,179                      | 10.00    | 10.00  | Cash                    | Further Allotment                                      | 1.00                     | 0.70         |
| 22-09-2017                                | 60,121                        | 10.00    | 10.00  | Cash                    | Further Allotment                                      | 0.51                     | 0.35         |
| 30-03-2017                                | 5,00,000                      | 10.00    | 10.00  | Cash                    | Transferred from Mr. Uma Shankar Agarwal               | 4.21                     | 2.96         |
| 30-03-2017                                | 60,000                        | 10.00    | Nil  | Cash                    | Transmission of Mr. Sanwarmal Surajmal Agarwal         | 0.51                     | 0.35         |
| 27-03-2021                                | 5,00,000                      | 10.00    | 10.00  | Cash                    | Allotment against conversion of unsecured loans        | 4.21                     | 2.96         |
| 30-10-2023                                | 2,02,9950                     | 10.00    | Nil  | Other than Cash         | Bonus in the ratio of 3:2                              | 17.08                    | 12.00        |
| <b>Total</b>                              | <b>33,83,250</b>              |          |  |                         |  | <b>28.49</b>             | <b>20.00</b> |
| <b>Total Promoter holding</b>             | <b>55,38,500</b>              |          |  |                         |  | <b>46.64</b>             | <b>32.74</b> |

All the Equity Shares held by our Promoters were and is fully paid-up on the respective dates of acquisition and/or transfers and/or allotment of such Equity Shares. As on the date of this Draft Prospectus, none of the Equity Shares held by our Promoters are pledged.

Further, our Promoters to the Company and the Lead Manager confirms that the acquisition and/or transfers and/or allotment of the Equity Shares forming part of the Promoters' Contribution has been financed from personal

funds/internal accruals and no loans or financial assistance from any banks or financial institution has been availed by our Promoter for this purpose.

### ***Details of Promoter's contribution and Lock-in***

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.69% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Minimum Promoters' Contribution**"). Details of the Equity Shares (eligible for inclusion in the Minimum Promoters' Contribution, in terms of Regulation 33 of the SEBI (ICDR) Regulations) forming part of Minimum Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

| Date of Allotment of Fully Paid-up Shares | No. of Equity Shares Locked-in | Nature of Issue/ Acquisition/ acquired/ transfer  | Nature of consideration | FV (Rs.) | Issue Price (Rs.) | % of the Paid-up Capital |            |
|---|--------------------------------|---|-------------------------|----------|-------------------|--------------------------|------------|
|   |                                |   |                         |          |                   | Pre-Issue                | Post-Issue |
| Mrs. Anita Uma Shankar Agarwal            |                                |   |                         |          |                   |                          |            |
| 30-10-2023                                | 10,27,500                      | Bonus in the ratio of 3:2                         | NIL                     | 10       | -                 | 8.65                     | 6.07       |
| TOTAL                                     | 10,27,500                      |   |                         |          |                   | 8.65                     | 6.07       |
| Mr. Uma Shankar Sanwarmal Agarwal         |                                |   |                         |          |                   |                          |            |
| 30-10-2009                                | 25,000                         | Subscribers to MOA                                | Cash                    | 10       | 10                | 0.21                     | 0.15       |
| 29-03-2014                                | 16,00,000                      | Further Allotment                                 | Cash                    | 10       | 10                | 13.47                    | 9.46       |
| 09-11-2015                                | 32,100                         | Further Allotment                                 | Cash                    | 10       | 10                | 0.27                     | 0.19       |
| 19-11-2016                                | -3,00,000                      | Transferred to Mrs. Anita Uma Shankar Agarwal     | Cash                    | 10       | 10                | -2.53                    | -1.77      |
| 19-11-2016                                | -3,00,000                      | Transferred to Mrs. Sharda Mahesh Kumar Agarwal   | Cash                    | 10       | 10                | -2.53                    | -1.77      |
| 30-03-2017                                | -2,50,000                      | Transferred to Mrs. Anita Uma Shankar Agarwal     | Cash                    | 10       | 10                | -2.11                    | -1.48      |
| 30-03-2017                                | -5,00,000                      | Transferred to Mr. Mahesh Kumar Sanwarmal Agarwal | Cash                    | 10       | 10                | -4.21                    | -2.96      |
| 30-03-2017                                | -2,50,000                      | Transferred to Mrs. Sharda Devi Sanwarmal Agarwal | Cash                    | 10       | 10                | -2.11                    | -1.48      |
| 27-03-2021                                | 1,20,000                       | Allotment against conversion of unsecured loans   | Cash                    | 10       | 10                | 1.01                     | 0.71       |
| 30-10-2023                                | 2,65,650                       | Bonus in the ratio of 3:2                         | Other than cash         | 10       | -                 | 2.24                     | 1.57       |
| TOTAL                                     | 4,42,750                       |   |                         |          |                   | 3.73                     | 2.62       |
| Mr. Mahesh Kumar Sanwarmal Agarwal        |                                |   |                         |          |                   |                          |            |
| 30-10-2023                                | 20,29,950                      | Bonus in the ratio of 3:2                         | NIL                     | 10       | -                 | 17.09                    | 12.00      |
| TOTAL                                     | 20,29,950                      |   |                         |          |                   | 17.09                    | 12.00      |
| FINAL TOTAL                               | 35,00,200                      |   |                         |          |                   | 29.48                    | 20.69      |

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.69% of the post issue Equity Share capital of our Company as Minimum Promoters; Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above, or for such other time

as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.11% of the Post Issue Capital of our Company as mentioned above does not consist of:

- a) Equity Shares acquired during the preceding three (3) years from the date of filing this Draft Prospectus for
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus shares issued out of revaluations reserves or unrealized profits of the Company or bonus issue against equity shares which are otherwise ineligible for computation of Minimum Promoter's Contribution;
- b) Equity Shares held by the Promoter and offered for minimum Promoters contribution which are subject to any pledge with any creditor;
- c) Equity Shares acquired during the preceding one (1) year from the date of filing this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Initial Public Offer;
- d) No Equity shares have been issued to our promoters upon conversion of a partnership firm during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management are ineligible for Minimum Promoters' Contribution; and
- e) Equity Shares for which specific written consent has not been obtained from the respective Promoter for inclusion of their subscription in the Promoters Contribution subject to lock-in.

#### ***Equity shares locked-in for one year***

Other than the Equity Shares mentioned above that would be locked-in for three (3) years, the entire pre-Issue capital of our Company and any unsubscribed portion of the Offer for Sale by the Promoters would be locked-in for a period of one (1) year from the date of Allotment in the Issue pursuant to Regulation 238(b) and 239 of SEBI ICDR Regulations, 2018.

#### **Other requirements in respect of 'Lock-In'**

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 Issue.

#### ***Inscription or Recording of non-transferability:***

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

#### ***Pledge of Locked in Equity Shares:***

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

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

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

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

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

## 16. OUR SHAREHOLDING PATTERN

Pursuant to Regulation 31 of the SEBI (LODR) Regulations, the holding of specified securities is divided into the following three categories: (a) Promoter and Promoter Group; (b) Public; and (c) Non-Promoter - Non-Public:

| Category | Category of Shareholders       | No. of Shareholders | No. Of Fully Paid-up Equity Shares held | No. Of Partly Paid-up Equity Shares held | No. of Shares underlying Depository Receipts | Total No. Of Equity Shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)<br>As a % of (A+B+C2) | No. of Voting Rights held in each class of securities * |                         | No. of Shares Underlying Outstanding Convertible Securities (including Warrants) | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | No. of Locked in shares ** |                                 | Shares Pledged or otherwise encumbered |                                 | No. of equity shares held in dematerialized form |
|----------|--------------------------------|---------------------|---|--|--|---------------------------------|---|---|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|--|
|          |                                |                     |   |  |  |                                 |   | No. of Voting Rights                                    | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)                                | As a % of total Shares held (b) |  |
| I        | II                             | III                 | IV                                      | V  | VI   | VII=IV+V+VI                     | VIII  | IX  |                         | X  | XI=VII+X   | XII                        |                                 | XIII                                   |                                 | XIV  |
| A        | Promoter & Promoter Group      | 7                   | 1,13,01,000                             | -  | -  | 1,13,01,000                     | 95.17   | -   | -                       | -  | 95.17  | -                          | -                               | -                                      | -                               | 1,13,01,000                                      |
| B        | Public                         | 1                   | 5,74,000                                | -  | -  | 5,74,000                        | 4.83  | -   | -                       | -  | 4.83   | -                          | -                               | -                                      | -                               | 5,74,000   |
| C        | Non Promoter-Non Public        | -                   | -                                       | -  | -  | -                               | -   | -   | -                       | -  | -  | -                          | -                               | -                                      | -                               | -  |
| 1        | Shares underlying DRs          | -                   | -                                       | -  | -  | -                               | -   | -   | -                       | -  | -  | -                          | -                               | -                                      | -                               | -  |
| 2        | Shares held by Employee Trusts | -                   | -                                       | -  | -  | -                               | -   | -   | -                       | -  | -  | -                          | -                               | -                                      | -                               | -  |
|          | <b>Total</b>                   | <b>8</b>            | <b>1,18,75,000</b>                      | <b>-</b>                                 | <b>-</b>                                     | <b>1,18,75,000</b>              | <b>100.00</b>   | <b>-</b>  | <b>-</b>                | <b>-</b>   | <b>100.00</b>  | <b>-</b>                   | <b>-</b>                        | <b>-</b>                               | <b>-</b>                        | <b>1,18,75,000</b>                               |

Note:

- 1) As on the date of this Draft Prospectus I Equity Shares holds 1 vote.
- 2) Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of our Equity Shares.
- 3) There are no Equity Shares against which depository receipts have been issued.
- 4) Other than the Equity Shares, there is no other class of securities issued by our Company.
- 5) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.



17. Following is the details of the aggregate shareholding of Our Promoter and Promoter Group before and after the Issue is set forth below:

| Sr. No.  | Name of the Shareholders              | Pre-Issue            |                              | Post-Issue           |                              |
|----------|---------------------------------------|----------------------|------------------------------|----------------------|------------------------------|
|          |                                       | No. of equity shares | As a % of Pre-Issued Capital | No. of equity shares | As a % of Post-Issue Capital |
| <b>A</b> | <b>Promoters</b>                      |                      |                              |                      |                              |
|          | Mrs. Anita Uma Shankar Agarwal        | 17,12,500            | 14.42                        | 17,12,500            | 10.12                        |
|          | Mr. Uma Shankar Sanwarmal Agarwal     | 4,42,750             | 3.73                         | 4,42,750             | 2.62                         |
|          | Mr. Mahesh Kumar Sanwarmal Agarwal    | 33,83,250            | 28.49                        | 33,83,250            | 20.00                        |
|          | <b>TOTAL (A)</b>                      | <b>55,38,500</b>     | <b>46.64</b>                 | <b>55,38,500</b>     | <b>32.74</b>                 |
| <b>B</b> | <b>Promoter Group &amp; Relatives</b> |                      |                              |                      |                              |
|          | Mrs. Sharda Mahesh Kumar Agarwal      | 44,00,000            | 37.05                        | 44,00,000            | 26.01                        |
|          | Mrs. Sharda Devi Sanwarmal Agarwal    | 8,25,000             | 6.95                         | 8,25,000             | 4.88                         |
|          | Mr. Mayur Uma Shankar Agarwal         | 3,87,500             | 3.26                         | 3,87,500             | 2.29                         |
|          | Ms. Palak Mahesh Kumar Agarwal        | 1,50,000             | 1.26                         | 1,50,000             | 0.89                         |
|          | <b>TOTAL (B)</b>                      | <b>57,62,500</b>     | <b>48.53</b>                 | <b>57,62,500</b>     | <b>34.07</b>                 |
| <b>C</b> | <b>TOTAL (A+B)</b>                    | <b>1,13,01,000</b>   | <b>95.17</b>                 | <b>1,13,01,000</b>   | <b>66.81</b>                 |

18. The average cost of acquisition of per Equity Share by our Promoter is set forth in the table below:

| Name of Promoter                   | No. of equity share held | Average cost of acquisition (in Rs.) # |
|------------------------------------|--------------------------|--|
| Mrs. Anita Uma Shankar Agarwal     | 17,12,500                | 4.00                                   |
| Mr. Uma Shankar Sanwarmal Agarwal  | 4,42,750                 | 4.00                                   |
| Mr. Mahesh Kumar Sanwarmal Agarwal | 33,83,250                | 3.82                                   |

# As certified by M/s Jethani And Associates, Chartered Accountants, by way of their certificate dated December 01, 2023.

19. List of shareholders holding 1% or more of the paid up share capital of our company-

(a) As on the date of this Draft Prospectus:

| Sr. No. | Name Of The Shareholders           | No. Of Shares    | % of the Pre-Issue Capital |
|---------|------------------------------------|------------------|----------------------------|
| 1       | Mrs. Anita Uma Shankar Agarwal     | 17,12,500        | 14.42                      |
| 2       | Mr. Uma Shankar Sanwarmal Agarwal  | 4,42,750         | 3.73                       |
| 3       | Mr. Mahesh Kumar Sanwarmal Agarwal | 33,83,250        | 28.49                      |
| 4       | Mrs. Sharda Mahesh Kumar Agarwal   | 44,00,000        | 37.05                      |
| 5       | Mrs. Sharda Devi Sanwarmal Agarwal | 8,25,000         | 6.95                       |
| 6       | Mr. Mayur Uma Shankar Agarwal      | 3,87,500         | 3.26                       |
| 7       | Ms. Palak Mahesh Kumar Agarwal     | 1,50,000         | 1.26                       |
| 8       | Mr. Surendra Kumar Agarwal         | 5,74,000         | 4.84                       |
|         | <b>Total</b>                       | <b>11,87,500</b> | <b>100.00</b>              |

*(b) 10 days prior to the date of this Draft Prospectus:*

| Sr. No. | Name Of The Shareholders           | No. Of Shares    | % of the Pre-Issue Capital |
|---------|------------------------------------|------------------|----------------------------|
| 1       | Mrs. Anita Uma Shankar Agarwal     | 17,12,500        | 14.42                      |
| 2       | Mr. Uma Shankar Sanwarmal Agarwal  | 4,42,750         | 3.73                       |
| 3       | Mr. Mahesh Kumar Sanwarmal Agarwal | 33,83,250        | 28.49                      |
| 4       | Mrs. Sharda Mahesh Kumar Agarwal   | 44,00,000        | 37.05                      |
| 5       | Mrs. Sharda Devi Sanwarmal Agarwal | 8,25,000         | 6.95                       |
| 6       | Mr. Mayur Uma Shankar Agarwal      | 3,87,500         | 3.26                       |
| 7       | Ms. Palak Mahesh Kumar Agarwal     | 1,50,000         | 1.26                       |
| 8       | Mr. Surendra Kumar Agarwal         | 5,74,000         | 4.84                       |
|         | <b>Total</b>                       | <b>11,87,500</b> | <b>100.00</b>              |

*(c) 1 year prior to the date of filing this Draft Prospectus:*

| Sr. No. | Name Of The Shareholders           | No. Of Shares    | % of the Pre-Issue Capital |
|---------|------------------------------------|------------------|----------------------------|
| 1       | Mrs. Anita Uma Shankar Agarwal     | 6,85,000         | 14.42                      |
| 2       | Mr. Uma Shankar Sanwarmal Agarwal  | 1,77,100         | 3.73                       |
| 3       | Mr. Mahesh Kumar Sanwarmal Agarwal | 13,53,300        | 28.49                      |
| 4       | Mrs. Sharda Mahesh Kumar Agarwal   | 17,60,000        | 37.05                      |
| 5       | Mrs. Sharda Devi Sanwarmal Agarwal | 3,30,000         | 6.95                       |
| 6       | Mr. Mayur Uma Shankar Agarwal      | 40,000           | 0.84                       |
| 7       | Mr. Ishwari Lal Saini              | 25,000           | 0.53                       |
| 8       | Mr. Surendra Kumar Agarwal         | 2,29,600         | 4.84                       |
| 9       | Mr. Ramjilal Prahjapati            | 40,000           | 0.84                       |
| 10      | Mr. Makhanlal Agarwal              | 20,000           | 0.42                       |
| 11      | Mr. Dharmendra Singh               | 30,000           | 0.63                       |
| 12      | Mr. Rajendra Kumar Jaga            | 20,000           | 0.42                       |
| 13      | Mr. Rajesh Agarwal                 | 40,000           | 0.84                       |
|         | <b>Total</b>                       | <b>47,50,000</b> | <b>100.00</b>              |

*d) 2 years prior to the date of filing this Draft Prospectus:*

| Sr. No. | Name Of The Shareholders           | No. Of Shares    | % of the Pre-Issue Capital |
|---------|------------------------------------|------------------|----------------------------|
| 1       | Mrs. Anita Uma Shankar Agarwal     | 6,85,000         | 14.42                      |
| 2       | Mr. Uma Shankar Sanwarmal Agarwal  | 1,77,100         | 3.73                       |
| 3       | Mr. Mahesh Kumar Sanwarmal Agarwal | 13,53,300        | 28.49                      |
| 4       | Mrs. Sharda Mahesh Kumar Agarwal   | 17,60,000        | 37.05                      |
| 5       | Mrs. Sharda Devi Sanwarmal Agarwal | 3,30,000         | 6.95                       |
| 6       | Mr. Mahesh Chand Jain              | 20,000           | 0.42                       |
| 7       | Mr. Ishwari Lal Saini              | 25,000           | 0.53                       |
| 8       | Mr. Surendra Kumar Agarwal         | 2,29,600         | 4.84                       |
| 9       | Mr. Ramjilal Prahjapati            | 40,000           | 0.84                       |
| 10      | Mr. Makhanlal Agarwal              | 20,000           | 0.42                       |
| 11      | Mr. Dharmendra Singh               | 30,000           | 0.63                       |
| 12      | Mr. Rajendra Kumar Jaga            | 20,000           | 0.42                       |
| 13      | Mr. Rajesh Agarwal                 | 40,000           | 0.84                       |
| 14      | Mr. Ramkishan Mahavar              | 20,000           | 0.42                       |
|         | <b>Total</b>                       | <b>45,35,000</b> | <b>95.48</b>               |

20. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as mentioned below and as stated in the chapter titled '*Our Management*' beginning on page no. 137 of this Draft Prospectus.

| <b>Sr. No.</b> | <b>Name of the KMP's</b>           | <b>Designation</b>      | <b>No. of Shares held in our Company</b> | <b>% of pre-issue paid-up Equity Share Capital</b> |
|----------------|------------------------------------|-------------------------|--|--|
| 1.             | Mrs. Anita Uma Shankar Agarwal     | Managing Director & CEO | 17,12,500                                | 14.42  |
| 2.             | Mr. Uma Shankar Sanwormal Agarwal  | Non-Executive Director  | 4,42,750                                 | 3.73   |
| 3.             | Mr. Mahesh Kumar Sanwormal Agarwal | Executive Director      | 33,83,250                                | 28.49  |
|                | <b>Total</b>                       |                         | <b>55,38,500</b>                         | <b>46.64</b>                                       |

21. There are no other persons belonging to the category "Public" who are holding the securities (including shares, warrants, convertible securities of our Company more than 5% of the total number of shares as on the date of this Draft Prospectus.
22. There are no persons belonging to the category "Public" is holding the securities (including shares, warrants, convertible securities of our Company more than 1% of the total number of shares as on the date of this Draft Prospectus.
23. Except as mentioned below, none of the Promoter, members forming a part of Promoter Group, Promoter Group Companies/Entities, Directors and their immediate relatives have purchased or sold or transferred any Equity shares of our Company within the last 6 (Six) months immediately preceding the date of this Draft Prospectus.

| <b>Name of the Allottee</b>                            | <b>Date of Transfer</b> | <b>No. of Equity Shares Allotted/ Transferred</b> | <b>FV (Rs.)</b> | <b>Issue Price/ Transfer Price/ Acquisition Price (Rs.)</b> | <b>Nature of Consideration/ Allotment/ Acquired/ Transfer</b>  |
|--|-------------------------|---|-----------------|---|--|
| Mr. Mayur Uma Shankar Agarwal (Promoter Group Member)  | 11-07-2023              | 55,000  | 10.00           | 10.00   | Transfer of 30,000 Equity Shares from Mr. Dharmender Singh and 25,000 Equity Shares from Mr. Ishwar Lal Saini. |
| Ms. Palak Mahesh Kumar Agarwal (Promoter Group Member) | 01-09-2023              | 60,000  | 10.00           | 10.00   | Transfer of 20,000 Equity Shares from Mr. Makkhan Lal Agarwal and 40,000 Equity Shares from Mr. Rajesh Agarwal |

24. Our Company shall ensure that transactions in the Equity Shares by the Promoter and members forming a part of the Promoter Group and/ or Group Companies/Entities between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
25. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for 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 venture(s), 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.
26. There have been no financial arrangements whereby our Promoters, Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of 6 (Six) months preceding the date of this Draft Prospectus, other than in the normal course of business of the financing entity.
27. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.

28. Our Company, our Promoter, our Directors and the Lead Manager to the Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
29. There are no safety net arrangements for this Public Issue.
30. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018, as amended from time to time.
31. An oversubscription to the extent of 10% of the Net Issue can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoter and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in for 3 years.
32. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
33. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under **“Basis of Allotment”** in the chapter titled **“Issue Procedure”** beginning on page no. 237 of this Draft Prospectus.
34. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
35. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicant for making an application, except for fees or commission for services rendered in relation to the Issue.
36. As per RBI regulations, OCBs are not allowed to participate in the Issue.
37. The Issue is being made through Fixed Price method.
38. None of the other Promoter and members of our Promoter Group will participate in this Issue.
39. Our Promoter and members of our Promoter Group will not receive any proceeds from the Offer.
40. Our Company has not raised any bridge loan against the proceeds of the Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
41. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
42. An Applicant cannot make an application for more than the number of Equity Shares being issued through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
43. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in the Issue.
44. We have 8 shareholders as on the date of filing of this Draft Prospectus.
45. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
46. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (determined as per the definition of ‘associate company’ under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.
47. For the details of transactions by our Company with our Promoter Group, Group Companies please refer to paragraph titled **“Statement of Transactions with Related Parties, as Restated”** in **‘Financial Statements’** on page 162 of this Draft Prospectus.

## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Offer comprises of a Fresh Issue by our Company.

The Fresh Issue includes a public Issue of 50,40,000 Equity Shares of Rs. 10/- each of our Company at an Issue Price of Rs. 96/- per Equity Share. The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

- 1) Repayment of certain Borrowings;
- 2) Purchase of machinery at our existing manufacturing unit;
- 3) To meet incremental working capital requirements; and
- 4) General Corporate Expenses.

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

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “*History and Certain Corporate Matters*” on page 132 of this Draft Prospectus.

### Net Proceeds

The details of the issue proceeds are summarized below:

| Particulars                                     | Amount (Rs. In Lakhs) |
|---|-----------------------|
| Gross Proceeds of the Issue                     | 4838.40               |
| Less: Issue related expenses                    | (200.00)              |
| <b>Net Proceeds of the Issue (Net Proceeds)</b> | <b>4638.40</b>        |

### Utilization of Funds and Means of Finance:

The proposed utilization of net proceeds is set forth below:

| (Rs. In Lakhs) |  |  |                |                |
|----------------|--|--|----------------|----------------|
| Sr. No.        | Objects of the Issue                                     | Amount Proposed to be Utilized from the Net Proceeds |                | Total          |
|                |  | FY 2023-24   | FY 2024-25     |                |
| 1              | Repayment of certain Borrowings                          | 610.06   | -              | 610.06         |
| 2              | Purchase of machinery at our existing manufacturing unit | 325.00   | -              | 325.00         |
| 3              | To meet incremental working capital requirements         | -  | 2500.00        | 2500.00        |
| 4              | General Corporate Expenses                               | 1203.34  | -              | 1203.34        |
|                | <b>Total</b>   | <b>2138.40</b>                                       | <b>2500.00</b> | <b>4638.40</b> |

*Since the entire fund requirement are to be funded from the proceeds of the Fresh Issue, there is no requirement to make firm arrangements of finance under prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.*

### Requirement of Funds and Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates and have not been appraised by any bank, financial

institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management.

In case of variations in the actual utilisation of funds earmarked for the purpose set forth above or shortfall in the Net Proceeds, increased fund requirement may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards the said Object is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes/ will not exceed 25% of the gross proceeds from the Issue.

### Schedule of implementation

The Issue Proceeds will be utilised during FY 2024 and FY 2025. For details, please refer to “Deployment of Funds in the Objects” as mentioned below.

### Deployment of Funds in the Objects

Except for Rs. 7.80 Lakhs incurred towards IPO expenditure as mentioned below, our Company has not incurred the any expenditure on the Objects till November 30, 2023, the same is certified by M/s Jethani And Associates, Chartered Accountants vide their certificate (UDIN: 24400485BKACFW4407) date December 01, 2023:

### Details of balance fund deployment

| <b>(Rs. In Lakhs)</b> |  |  |  |                |                |
|-----------------------|--|--|--|----------------|----------------|
| Sr. No.               | Objects of the Issue                                     | Expenses Already Incurred till November 30, 2023 | Amount Proposed to be Utilized from the Net Proceeds |                | Total          |
|                       |  |  | FY 2023-24   | FY 2024-25     |                |
| 1.                    | Repayment of certain Borrowings                          | Nil  | 610.06   | -              | 610.06         |
| 2.                    | Purchase of machinery at our existing manufacturing unit | Nil  | 325.00   | -              | 325.00         |
| 3.                    | To meet incremental working capital requirements         | Nil  | -  | 2500.00        | 2500.00        |
| 4.                    | General Corporate Expenses                               | Nil  | 1203.34  | -              | 1203.34        |
| 5.                    | To meet the expenses of the Issue                        | 7.80   | 200.00   | -              | 200.00         |
|                       | <b>Total</b>   | <b>7.80</b>                                      | <b>2338.40</b>                                       | <b>2500.00</b> | <b>4838.40</b> |

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

## DETAILS OF THE OBJECTS

### I. REPAYMENT OF CERTAIN BORROWINGS

Our Company has entered into various financing arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company includes borrowing in the form of, inter alia, short term loans, GECL and overdraft facilities, term loans amongst others. As at September 30, 2023, the total outstanding indebtedness was Rs. 2937.54 Lakhs (included secured and unsecured borrowings). For details on the same, please refer to “**Statement of Financial Indebtedness**” beginning on page no. 210 this Draft Prospectus.

Our Company proposes to utilize approximately Rs. 610.06 Lakhs from the Net Proceeds of the Issue towards full or partial repayment or pre-payment of certain of such outstanding borrowings availed by our Company. Our Company may from time to time, repay, refinance, enter into further financing arrangements and/or draw down further funds under existing loans from time to time. Therefore, our Company may choose to repay or pre-pay or part prepayment certain borrowings, other than those identified in the table below, which may include additional borrowings availed after the filing of this Draft Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards

repayment and/or prepayment, in part or full, of certain borrowings, would not exceed Rs. 350.00 Lakhs. In light of the above, at the time of filing the Prospectus, the table below shall be suitably updated to reflect the revised amounts or additional loans, as the case may be.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs and enable utilisation of our internal accruals for further investment in the growth and expansion of our business. Such reduction of our outstanding indebtedness will also help us to improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides details of outstanding borrowings availed by our Company, which we have identified to repay or prepay, in full or in part, from the Net Proceeds:

| <b>(Rs. in Lakhs)</b> |  |                            |                          |  |                                |                     |                                    |   |
|-----------------------|--|----------------------------|--------------------------|--|--------------------------------|---------------------|------------------------------------|---|
| <b>Sr. No.</b>        | <b>Name of bank/ financial institution</b> | <b>Nature of Borrowing</b> | <b>Sanctioned Amount</b> | <b>Total outstanding amount as on 30-09-2023 *</b> | <b>Purpose of raising loan</b> | <b>ROI % (p.a.)</b> | <b>Pre-payment clause (if any)</b> | <b>Proposed to be repaid from IPO Proceed</b> |
| 1.                    | SIDBI                                      | Term Loan                  | 481.64                   | 446.54   | P&M Purchase                   | 8.25                | Nil                                | 446.54  |
| 2.                    | HDFC Bank Ltd                              | GECL                       | 123.33                   | 47.52  | Working Capital                | 8.85                | Nil                                | 47.52   |
| 3.                    | HDFC Bank Ltd                              | GECL                       | 116.00                   | 116.00   | Working Capital                | 8.85                | Nil                                | 116.00  |
|                       | <b>Total</b>                               |                            | <b>720.97</b>            | <b>610.06</b>                                      |                                |                     |                                    | <b>610.06</b>                                 |

\* The amount deployed towards repayment of borrowings for month of October 2023 and November 2023 is incurred from internal accruals and shall be recouped from of the Issue proceeds.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate from the Peer Reviewed Statutory Auditor, viz, M/s. Jethani And Associates, Chartered Accountant, certifying the utilization of loans for the purposes availed, our Company has obtained requisite certificate (UDIN: 23400485BGXCUE5973) dated December 01, 2023, in this regard.

In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties and other related costs shall be made from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such prepayment penalties, such excessive amount shall be met from our internal accruals.

No portion of the Net Proceeds, that will be utilised for repayment/ prepayment, in full or part, of certain borrowings availed by our Company, will be directly or indirectly routed to our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management or Group Companies.

## **II. PURCHASE OF MACHINERY AT OUR EXISTING MANUFACTURING UNIT**

Our company is engaged in the business of manufacturing Toughened Glasses. As on date of filing the Draft Prospectus, we have one operational factory units that is operated by us and is located in Jaipur (Rajasthan). For details on our factory unit, please refer to “Our Manufacturing Unit” on page no. 56 of the Draft Prospectus.

Our Company proposes to deploy an amount of Rs. 325.00 Lakhs from the Net Proceeds towards purchase of machinery for our existing factory unit and as approved by the Board at its meeting held on December 01, 2023. Keeping in the growing demand for toughened glasses in market, our company proposes to add one more advance Production Line Machine / advance Tempering Machine (with Upper Forced Fan Convection through Steel Tubes) to the existing line of production. By adding one more line of production, our company manufacturing capacity will increase by approximately 10.80 Lacs SQMT p.a. thereby increasing our sales and revenue from operations.

Our Company has identified the machineries to be purchased and obtained quotations from respective vendors / suppliers and is yet to place any orders or enter into definitive agreements for purchase of such machineries. The amount to be spent and machinery to be procured by our Company will depend upon business requirements and technology advancement. The details and total estimated cost towards purchasing machinery is as follows:

(Rs. In Lakhs)

| Particulars  | Vendor/ Supplier  | Quantity | Price per Unit | Estimated Cost # | Amount deployed till 30-09-2023 | Amount to be funded from the Net Proceed FY 2023-24 |
|--|---|----------|----------------|------------------|---------------------------------|---|
| STG-Q2842-15A Flat & Bent Glass Tempering Machine (with Upper Forced Fan Convection through Steel Tubes) | Supertech Glass Machinery<br>Address: Shri Shyam Dharam Kanta, Saboli Road, Bajidpur Saboli, Kundli, Sonapat, Haryana-131029, India * | 1        | 275.00         | 325.00           | -                               | 325.00  |
| <b>Total</b>   |   |          | <b>275.00</b>  | <b>325.00</b>    |                                 | <b>325.00</b>                                       |

#inclusive of GST@18.00%

\* Based on the quotation provided by the vendor and is valid for 6 months from the date of November 17, 2023.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the machinery and material at the same costs. The quantity of the machinery and material to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery according to the business requirements which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Above quotations are very short duration quotation and are used only for the purpose of price estimation. The above prices are subject to change without any notice and final applicable prices will be as per prevailing prices at the time of invoicing of machinery. Our Management does not have any intention of purchasing the above mentioned proposed machinery as second-hand machinery.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above. If the Net Proceeds are insufficient to the extent required for purchase of plant and machinery and/or other any material required for setting up the manufacturing unit, such excessive amount shall be met from our internal accruals and/ or from borrowing from banks/ financial institutions.

### III. TO MEET INCREMENTAL WORKING CAPITAL REQUIREMENTS

Our business is working capital intensive. We fund a majority of our working capital requirements in the ordinary course of business from various banks facilities and internal accruals.

#### a) Existing Working Capital:

Our Company's existing working capital based on the Restated Financial Information is stated below:

(Rs. In Lakhs)

| Particulars                     | FY 2020-21      | No. of Days | FY 2021-22      | No. of Days | FY 2022-23      | No. of Days | September 30, 2023 | No. of Days |
|---------------------------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|--------------------|-------------|
|                                 | Audited         |             | Audited         |             | Audited         |             | Audited            |             |
| Current Assets                  |                 |             |                 |             |                 |             |                    |             |
| Inventories                     | 778.95          | 175         | 844.78          | 139         | 973.42          | 134         | 1378.8             | 169         |
| Trade Receivables               | 606.03          | 96          | 749.98          | 78          | 896.89          | 80          | 939.32             | 179         |
| Cash & Bank Balances            | 40.84           |             | 9.85            |             | 197.94          |             | 160.64             |             |
| Short Term Loans & Advances     | 195.83          |             | 217.71          |             | 173.71          |             | 151.39             |             |
| Other Current Assets            | 2.22            |             | 2.44            |             | 2.83            |             | 2.83               |             |
| <b>Total Current Assets (A)</b> | <b>1,623.87</b> |             | <b>1,824.76</b> |             | <b>2,244.79</b> |             | <b>2632.98</b>     |             |
| Current Liabilities             |                 |             |                 |             |                 |             |                    |             |
| Other Current Liabilities       | 151.27          |             | 97.97           |             | 83.44           |             | 58.17              |             |
| Short Term Borrowings           | 985.63          |             | 1096.87         |             | 1378.86         |             | 1480.3             |             |
| Trade Payables                  | 351.49          | 55          | 122.57          | 12          | 151.70          | 13          | 220.55             | 42          |
| Short Term Provisions           | 4.11            |             | 28.64           |             | 51.65           |             | 204.05             |             |



| Particulars  | FY 2020-21 | No.<br>of<br>Days | FY 2021-22 | No.<br>of<br>Days | FY 2022-23 | No.<br>of<br>Days | September<br>30, 2023 | No.<br>of<br>Days |
|--|------------|-------------------|------------|-------------------|------------|-------------------|-----------------------|-------------------|
|  | Audited    |                   | Audited    |                   | Audited    |                   | Audited               |                   |
| Total Current Liabilities (B)                        | 1492.50    |                   | 1346.05    |                   | 1665.65    |                   | 1963.07               |                   |
| Working Capital Gap<br>(C)= (A)- (B)                 | 131.37     |                   | 478.71     |                   | 579.14     |                   | 669.91                |                   |
| Funding Pattern                                      |            |                   |            |                   |            |                   |                       |                   |
| Internal Accruals /<br>Owned Funds/<br>Borrowings    | 131.37     |                   | 478.71     |                   | 579.14     |                   | 669.91                |                   |
| Proposed Working<br>Capital to be funded from<br>IPO | -          |                   | -          |                   | -          |                   | -                     |                   |

The Existing working capital is fully utilised under existing projects/order book and whenever any project will complete we will utilise the fund under another project as per the size of project and availability of fund at that time, but due to shortage of funds we are unable to take specific glass projects which is definitely effect our profitability also please note that the existing working capital is only fulfil the requirement for running orders specific size new projects and for utilise the additional machinery capacity we required additional working capital.

#### Justification (FY 2022-23):

We will require working capital to increase based on the following holding periods:

|                          |  |
|--------------------------|--|
| <b>Inventories</b>       | Generally, as per company requirement of this sector/segment we had to hold significant amount of inventory, because on time completion of projects required to huge amount of Inventory and the suppliers are limited in this sector so that we had to hold significant amount of inventory as per the requirement. |
| <b>Trade Receivables</b> | During this period as business were restarting, we planned to offer them better credit terms to selected client to retain them as well as to get more orders from them at better pricing.  |
| <b>Trade Payables</b>    | During this period, we tried to reduce the credit from suppliers because the said credit associated with discount factors and the said discount available on if we paid the amount to supplier in advance and this impacted our profitability so we always trying to reduce the said credit.                         |

#### Justification (FY 2021-22):

We will require working capital to increase based on the following holding periods:

|                          |  |
|--------------------------|--|
| <b>Inventories</b>       | Generally, as per company requirement of this sector/segment we had to hold significant amount of inventory, because on time completion of projects required to huge amount of Inventory and the suppliers are limited in this sector so that we had to hold significant amount of inventory as per the requirement. |
| <b>Trade Receivables</b> | During this period as business were restarting, we planned to offer them better credit terms to selected client to retain them as well as to get more orders from them at better pricing.  |
| <b>Trade Payables</b>    | During this period, we tried to reduce the credit from suppliers because the said credit associated with discount factors and the said discount available on if we paid the amount to supplier in advance and this Impacted our profitability so we always trying to reduce the said credit.                         |

#### Justification (FY 2020-2021):

We will require working capital to increase based on the following holding periods:

|                          |  |
|--------------------------|--|
| <b>Inventories</b>       | Generally, as per company requirement of this sector/segment we had to hold significant amount of inventory, because on time completion of projects required to huge amount of Inventory and the suppliers are limited in this sector so that we had to hold significant amount of inventory as per the requirement. |
| <b>Trade Receivables</b> | As per company's policy, company's keeps its average receivables to up to 90-120 days. However, due to COVID lockdowns the average receivables went up to 120-180 days.  |

|                       |   |
|-----------------------|---|
| <b>Trade Payables</b> | Due to COVID lockdown, as payments were delayed from debtors, we were forced to hold creditor payments which is the prime reason that our trade payables days went up to 1.86 Months. |
|-----------------------|---|

#### (b) Future Working Capital Requirements

Our Company proposes to utilize Rs. 2500.00 Lakhs of the Net Proceeds to meet its estimated working capital requirements. This will be utilized during 2025 towards our Company's additional working capital requirements. The balance portion of our Company working capital requirement shall be met from the internal accruals, borrowings and/ or own funds. The incremental and proposed working capital requirements and the assumption underlying the justification for periods of holding levels for Fiscal 2024 and 2025.

As approved by the Board pursuant to a resolution dated December 01, 2023, are mentioned below. Our Company's incremental and proposed working capital requirements for Fiscal 2024 and 2025 the proposed funding of such working capital requirements is as set out in the table below:

(Rs. In Lakhs)

| Particulars                                    | 31-Mar-24      | No. of Days | 31-Mar-25      | No. of Days |
|--|----------------|-------------|----------------|-------------|
|  | Estimated      |             | Estimated      |             |
| <b>Current Assets</b>                          |                |             |                |             |
| Inventories                                    | 950.00         | 356         | 3000.00        | 153         |
| Trade Receivables                              | 700.00         | 88          | 1000.00        | 56          |
| Short Term Loans & Advances and Deposits       | 200.00         |             | 125.00         |             |
| Other Current Assets                           | 200.00         |             | 250.00         |             |
| <b>Total (A)</b>                               | <b>2050.00</b> |             | <b>4375.00</b> |             |
| <b>Current Liabilities</b>                     |                |             |                |             |
| Sundry Creditors                               | 275.00         | 28          | 50.00          | 2           |
| Other Current Liabilities                      | 225.00         |             | 150.00         |             |
| Short Term Liabilities                         | 1200.00        |             | 1200.00        |             |
| <b>Total (B)</b>                               | <b>1700.00</b> |             | <b>1400.00</b> |             |
| <b>Working Capital Gap (C)= (A)- (B)</b>       | <b>350.00</b>  |             | <b>2975.00</b> |             |
|  |                |             |                |             |
| <b>Funding Pattern</b>                         |                |             |                |             |
| Internal Accruals / Owned Funds/ Borrowings    | 350.00         |             | 475.00         |             |
| Proposed Working Capital to be funded from IPO | -              |             | 2500.00        |             |

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

| Sr. no.               | Particulars       | Assumptions   |
|-----------------------|-------------------|---|
| <b>Current Assets</b> |                   |   |
| 1                     | Inventories       | <p>The Company has maintained its Inventory with total purchases for the Fiscal year 2023,2022 and Fiscal 2021 i.e. 134 days and 139 days and 175 days respectively. It anticipated that by maintaining inventory levels around 356 days of current financial year 2023-24 we will be in line with the historical figure which is Approx.153 days in Fiscal 2025.</p> <p>Now due to expansion plan i.e. purchase of plant and machinery, the requirement of additional inventory will also increase and in the financial year 2024-25. Also, in Fiscal 2025 we will take some specific projects for which we have already executed glass purchase agreement/specific glasses purchase agreement with float glass manufacturers, situated in India.</p> <p>This specified category of glasses will be purchased from these specific manufacturers for projects specific. Due to the above mentioned reasons, the requirement of additional inventory will increase with immediate effect. (Please note that the project specific and agreement specific glasses are only available with few specific suppliers in India and due to shortage of glass suppliers we have to stock the same glasses for approx. six months and sometimes more than six months.)</p> |
| 2                     | Trade receivables | <p>The Company has maintained its trade receivable of 80 days for Fiscal 2023, 78 days for Fiscal 2022 and 96 days for Fiscal 2021. The Company anticipates bidding and winning big projects which will be mainly long-term duration projects, this requires some time long duration of credit as per market standards and this will increase the receivable days of 179</p>  |

| Sr. no.                    | Particulars                 | Assumptions   |
|----------------------------|-----------------------------|---|
|                            |                             | days for the Fiscal 2024 and maintain the same level in Fiscal 2025. The bidding of long duration projects will also increase the profitability of the company which is always better than short/medium duration projects profitability.  |
| 3                          | Short term Loans & Advances | The key items under this head are Rent Advances, Staff Advances, Advance against Expenses etc.  |
| 4                          | Other Current Assets        | Other current assets include Indirect tax receivables (GST), TDS receivables (if any) and the expenditure incurred for the ongoing projects.  |
| <b>Current Liabilities</b> |                             |   |
| 5                          | Trade payables              | The Company has maintained its Trade Payables as 13 days for Fiscal 2023, 12 days for Fiscal 2022 and 55 days for Fiscal 2021. The Company anticipates maintaining the 28 days for Fiscal 2024 and maintaining the level Approx. 2 days in Fiscal 2025. The level of credit is directly affecting the profitability of company because on advance payment for Inventory/material to suppliers (as per terms company) will get trade/cash discount which is approx. 2%-5% (may vary company wise along with its project /glasses size and nature), so company always prefer to pay advance amount to suppliers, to reduce the cost and increase profitability. |
| 6                          | Other current liabilities   | Other current liabilities include Provision for Employee Benefits, Advance from Customers, Statutory dues to Government, Unclaimed Dividend and Lease Liability, Other provisions etc.,   |
| 7                          | Short Term Provisions       | Short term provisions include employee dues payable and provision for taxes.  |

Above details about working capital have been certified by M/s. Jethani And Associates, Chartered Accountants, by their certificate (UDIN: 24400485BKACFV2487) dated December 01, 2023.

#### IV. GENERAL CORPORATE EXPENSES

Our Company proposes to deploy the balance Net Proceeds aggregating to Rs. 1203.34 Lakhs towards general corporate purposes. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, strategic initiatives, joint-ventures, partnerships, marketing and brand building and development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board based on the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. However, we confirm that the amount for general corporate purposes, as mentioned in objects of the issue, shall not exceed twenty-five per cent of the fresh issue amount raised by our Company.

#### V. TO MEET THE EXPENSES OF THE ISSUE

The total expenses of the Offer are estimated to be approximately Rs. 200.00 lakhs. The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses and legal fees, if applicable. The estimated Offer expenses are as follows:

| <b>(Rs. In Lakhs)</b> |   |                      |  |                                |
|-----------------------|---|----------------------|--|--------------------------------|
| Sr. No.               | Particulars   | Estimated expenses @ | As a % of the total estimated Offer expenses | As a % of the total Offer size |
| 1.                    | Payment to Merchant Banker including, underwriting, Advisors to the Company, payment to other intermediaries such as Legal Advisors, Registrars etc. and other out of pocket expenses | 177.00               | 88.50  | 4.18                           |
| 2.                    | Advertising and marketing expenses  | 8.00                 | 4.00   | 0.19                           |
| 3.                    | Printing & Stationery, Distribution, Postage  | 3.00                 | 1.50   | 0.07                           |
| 4.                    | ROC, Regulatory and other expenses including Listing Fee  | 12.00                | 6.00   | 0.28                           |

| <b>Sr. No.</b> | <b>Particulars</b>                    | <b>Estimated expenses @</b> | <b>As a % of the total estimated Offer expenses</b> | <b>As a % of the total Offer size</b> |
|----------------|---------------------------------------|-----------------------------|---|---------------------------------------|
|                | <b>Total estimated Issue expenses</b> | <b>200.00</b>               | <b>100.00</b>                                       | <b>4.72</b>                           |

*@ please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.*

### **Bridge Financing Facilities**

As of the date of this Prospectus, our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

### **Appraisal by Appraising Agency**

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

### **Interim Use of Funds**

Pending utilization for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds only in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, for the necessary duration. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company.

### **Monitoring of Issue Proceeds**

As the size of the Offer will not exceed Rs. 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Offer Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013.

Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Draft Prospectus, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

### **Other Confirmations**

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 Entities, or key management personnel. 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 Entities in relation to the utilization of the Net Proceeds of the Issue.

## BASIS OF ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the chapter titled “**Business Overview**” and its financial statements under the section titled “**Financial Information**” beginning on pages 22, 97 and 162 respectively including important profitability and return ratios, as set out in “**Annexure XXXV- Statement Of Mandatory Accounting Ratios**” under the section titled Financial Information of the Company on page 193 to have a more informed view. The issue price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his/their investment.

### **Qualitative Factors**

For details of Qualitative factors please refer to the paragraph ‘**Our Competitive Strengths**’ in the chapter titled ‘**Business Overview**’ beginning on page no. 92 of this Draft Prospectus.

### **Quantitative Factors (Based on Restated Financial Statements)**

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

| Period                                     | Basic and Diluted EPS (In Rs.) | Weights |
|--|--------------------------------|---------|
| Fiscal 2021                                | 0.52                           | 1       |
| Fiscal 2022                                | 1.04                           | 2       |
| Fiscal 2023                                | 2.09                           | 3       |
| <b>Weighted Average</b>                    | <b>1.48</b>                    |         |
| For 6 months period ending on 30-09-2023 * | 9.15                           |         |

\*Not Annualized

#### **Notes:**

- (i) Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
- (ii) The face value of each Equity Share is Rs.10.00.
- (iii) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure 4.
- (iv) Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
- (v) Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
- (vi) The figures disclosed above are based on the Restated Financial Statements of our Company.

#### **2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 96.00:**

- i) Based on the basic and diluted EPS of Rs. 9.15 as per restated financial statements for the period ended September 30, 2023, the P/E ratio is 10.49
- ii) Based on the basic and diluted EPS of Rs. 2.09 as per restated financial statements for the period ended March 31, 2023, the P/E ratio is 4.93.
- iii) Based on the weighted average EPS of Rs. 1.48, as per restated financial statements the P/E ratio is 64.94.

#### **iv) Industry P/E**

|         |        |
|---------|--------|
| Highest | 142.50 |
| Lowest  | 79.56  |
| Average | 111.03 |

*Note: The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see “**Peer Competitors – Comparison of Accounting Ratios**” at point 6 below.*

### 3. Average Return on Net Worth (RoNW):

| Period                                     | Return on Net Worth (%) | Weights |
|--|-------------------------|---------|
| Fiscal 2021                                | 3.37                    | 1       |
| Fiscal 2022                                | 7.43                    | 2       |
| Fiscal 2023                                | 17.36                   | 3       |
| <b>Weighted Average</b>                    | <b>11.72</b>            |         |
| For 6 months period ending on 30-09-2023 * | <b>48.36</b>            |         |

\*Not Annualized

*Note:*

(i) The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) as restated, by Net Worth (excluding revaluation reserve, if any) as at the end of the year/ period excluding miscellaneous expenditure to the extent not written off.

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

| Particulars                  | NAV (in R) |
|------------------------------|------------|
| As on March 31, 2023         | 16.07      |
| As on September 30, 2023     | 25.22      |
| NAV after the Issue          | 46.59      |
| Issue Price per Equity share | 96.00      |

*Note:*

- NAV per Equity Share will be calculated as net worth divided by number of equity shares outstanding at the end of the year.

### 5. Peer Competitors - Comparison of Accounting Ratios:

Our company in the business of manufacturing toughen glass. Accordingly, considering the nature, range of products, turnover and size of business of our Company, the peer is not strictly comparable. However, the below mentioned listed company in the glass businesses have been taken into consideration as peer comparative listed company and has been included for broad comparison only:

| Name of the Company                     | CMP *  | Face Value (In Rs.) | EPS (In Rs.) # | P/E Ratio # | RONW (%) # | Book Value (In Rs.) # |
|---|--------|---------------------|----------------|-------------|------------|-----------------------|
| Agarwal Toughened Glass India Limited** | 96.00  | 10.00               | 9.15           | 10.49       | 21.00      | 25.22                 |
| Sejal Glass Limited                     | 279.30 | 10.00               | 1.96           | 142.50      | 7.11       | 27.83                 |
| Borosil Limited                         | 339.20 | 1.00                | 2.75           | 123.62      | 3.28       | 79.78                 |
| Saint -Gobain Senkurit India Limited    | 136.85 | 10.00               | 1.72           | 79.56       | 8.59       | 20.08                 |

\*Closing price on December 05, 2024 at NSE and for our Company it is considered as issue price.

#Source: Money Control; based on September 30, 2023 unaudited financial statements.

\*\*Based on September 30, 2023 restated financial statements.

### 6. Key Operational and Financial Performance Indicators:

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 01, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this

Prospectus. Further, the KPIs herein have been certified by M/s. Jethani And Associates, Chartered Accountants, by their certificate (UDIN: 23400485BGXCUA9810) dated December 01, 2023.

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

## 6.1 Financial KPIs of our Company

*(Rs. in lakhs, except for percentage)*

| Particulars                              | As at 30-09-2023 # | As at         |               |               |
|--|--------------------|---------------|---------------|---------------|
|  |                    | 31-March-2023 | 31-March-2022 | 31-March-2021 |
| Revenue from Operations                  | 1,868.79           | 3,995.03      | 3,340.94      | 2,158.21      |
| Total Income                             | 1,910.20           | 4,060.32      | 3,471.99      | 2,293.63      |
| EBITDA <sup>(1)</sup>                    | 746.93             | 474.89        | 359.86        | 179.56        |
| EBITDA margin (%) <sup>(2)</sup>         | 39.10              | 11.70         | 10.36         | 7.83          |
| PAT                                      | 434.47             | 99.4          | 49.32         | 20.74         |
| PAT margin (%)                           | 22.74              | 2.45          | 1.42          | 0.90          |
| Net Debt <sup>(3)</sup>                  | 2776.90            | 2678.74       | 2632.07       | 2282.56       |
| Total Equity                             | 475                | 475           | 475           | 475           |
| Net Worth                                | 1197.98            | 763.51        | 664.11        | 614.79        |
| RONW (%) <sup>(4)</sup>                  | 36.27              | 13.02         | 7.43          | 3.37          |
| EPS (Basis & Diluted) (%) <sup>(5)</sup> | 9.15               | 2.09          | 1.04          | 0.52          |

# not annualized

- 1) EBITDA = Profit before tax + depreciation & amortization expense + finance cost
- 2) EBITDA Margin = EBITDA/ Total income.
- 3) Net debt = Non-current borrowing + current borrowing - Cash and Cash Equivalent and Bank Balance.
- 4) RONW = Profit after tax / Networth
- 5) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.

### Explanation for KPI metrics

|                         |  |
|-------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| Total Income            | Total income is used by the management to track revenue from operations and other income.  |
| EBITDA                  | EBITDA provides information regarding the operational efficiency of the business.  |
| EBITDA margin (%)       | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.  |
| PAT                     | Profit after tax provides information regarding the overall profitability of the business.   |
| PAT margin (%)          | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.   |
| Net Worth               | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.  |
| Net Debt                | Net debt helps the management to determine whether a company is overleveraged or has too much debt given its liquid assets   |
| RONW (%)                | RONW provides how efficiently our Company generates earnings for the equity shareholders of the Company.   |

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

Our company in the business of manufacturing toughen glass. Accordingly, considering the nature, range of products, turnover and size of business of our Company, the peer is not strictly comparable. However, the below mentioned listed company in the glass businesses have been taken into consideration as peer comparative listed company and has been included for broad comparison only:

*(Rs. in lakhs, except for percentage)*

| Particulars                          | Saint -Gobain Senkurit India Limited | Sejal Glass Limited      | Borosil Limited          |
|--------------------------------------|--------------------------------------|--------------------------|--------------------------|
|                                      | 30-Sept-2023 (Unaudited)             | 30-Sept-2023 (Unaudited) | 30-Sept-2023 (Unaudited) |
| Revenue from Operations              | 10,229.13                            | 6,682.19                 | 56260.96                 |
| Total Income                         | 10,693.94                            | 6716.58                  | 56874.94                 |
| EBITDA <sup>(1)</sup>                | 1867.23                              | 917.51                   | 7218.04                  |
| EBITDA margin (%) <sup>(2)</sup>     | 17.46                                | 13.66                    | 12.69                    |
| PAT                                  | 1,571.05                             | 199.78                   | 2993.74                  |
| PAT margin (%)                       | 14.69                                | 2.97                     | 5.26                     |
| Net Debt <sup>(3)</sup>              | 255.42                               | 11495.26                 | 21037.12                 |
| Total Equity                         | 9,110.57                             | 1,010.00                 | 1145.39                  |
| Net Worth                            | 18,293.29                            | 2810.35                  | 91381.27                 |
| RONW (%) <sup>(4)</sup>              | 8.59                                 | 7.11                     | 3.28                     |
| EPS (Basis & Diluted) <sup>(5)</sup> | 1.72                                 | 1.96                     | 2.75                     |

Source: All the financial information for listed industry peer mentioned above is sourced from the regulatory filings made by aforesaid companies to stock exchanges for the respective year/ period to compute the corresponding financial ratios.

- 1) EBITDA = Profit before tax + depreciation & amortization expense + finance cost
- 2) EBITDA Margin = EBITDA/ Total income.
- 3) Net debt = Non-current borrowing + current borrowing - Cash and Cash Equivalent and Bank Balance.
- 4) RONW = Profit after tax / Networth.
- 5) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.

## 7. Weighted average cost of acquisition

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

Other than as mentioned below, there has been no issuance of Equity Shares or convertible securities, other than Equity Shares issued as disclosed below, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company.

*(Amount in Rs.)*

| Date of Allotment   | No. of Equity Shares | Face Value (in Rs.) | Issue Price (in Rs.) | Nature / Reason of Allotment    | Nature of Consideration | Total Consideration (Rs. in Lakhs) |
|---|----------------------|---------------------|----------------------|---------------------------------|-------------------------|------------------------------------|
| 30-10-2023  | 71,25,000            | 10                  | Nil                  | Bonus Issue in the ratio of 3:2 | Other than Cash         | 0.00                               |
| <b>Total</b>  | <b>71,25,000</b>     |                     |                      |                                 |                         | <b>0.00</b>                        |
| <b>Weighted average cost of acquisition (WACA) per Equity Share</b> |                      |                     |                      |                                 |                         | <b>0.00</b>                        |

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

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the promoters, members of the promoter group, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the



date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-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.

c) **Weighted average cost of acquisition, offer price**

| <b>Types of transactions</b>   | <b>Weighted average cost of acquisition<br/>(Rs. per Equity Shares)</b> | <b>Offer Price<br/>(i.e. Rs. 96.00)</b> |
|--|---|---|
| Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.           | Nil   | N.A.                                    |
| Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above. | N.A.  | N.A.                                    |

8. The face value of Equity Shares of our Company is Rs. 10.00 per Equity Share and the Issue Price of Rs. 96.00 /- per Equity Share is 9.6 times the face value.
9. The Issue Price of Rs. 96.00 is determined by our Company in consultation with the Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled '**Risk Factors**', and chapters titled '**Business Overview**' and '**Restated Financial Statement**' beginning on page no. 22, 97 and 162, respectively of this Draft Prospectus.

## STATEMENT OF TAX BENEFIT

To,  
**The Board of Directors,**  
**Agarwal Toughened Glass India Limited**  
F-2264, RIICO Industrial Area,  
Ramchandrapura, Sitapura (Ext.),  
Jaipur - 302022,  
Rajasthan, India

**Sub: Statement of possible special tax benefits (“the Statement”) available to Agarwal Toughened Glass India Limited and its shareholders is prepared in accordance with Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

Dear Sir/ Madam,

We hereby report that this certificate along with the annexure(hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2020 (i.e. applicable to F.Y. 2023-24 relevant to A.Y. 2024-25) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

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

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

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

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

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

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

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

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Offer Document 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.

**Yours faithfully,**

**For JETHANI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 010749C**

**CA Umesh Kumar Jethani**  
**Partner**  
**M. No: 400485**  
**UDIN: 23400485BGXCTY1739**  
**Place: Jaipur**  
**Date: December 01, 2023**

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

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

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

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

The Company has availed entitlement certificate for subsidy under Rajasthan Investment Promotion Scheme – 2014 issued by Office of District Industries Centre, Jaipur (Urban) Government of Rajasthan. The maximum subsidy available to the Company amounts to Rs. 743.52 Lakhs. The Company has availed a sum of Rs. 281.51 Lakhs till September 30, 2023.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

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

#### **Notes:**

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

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

**For JETHANI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 010749C**

**CA Umesh Kumar Jethani**  
**Partner**  
**M. No: 400485**  
**UDIN: 23400485BGXCTY1739**  
**Place: Jaipur**  
**Date: December 01, 2023**

## SECTION VIII – ABOUT US

### INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Restated Financial Statements” and related notes beginning on page no. 22 and 162 of this Draft Prospectus.*

### OVERVIEW OF GLOBAL ECONOMY

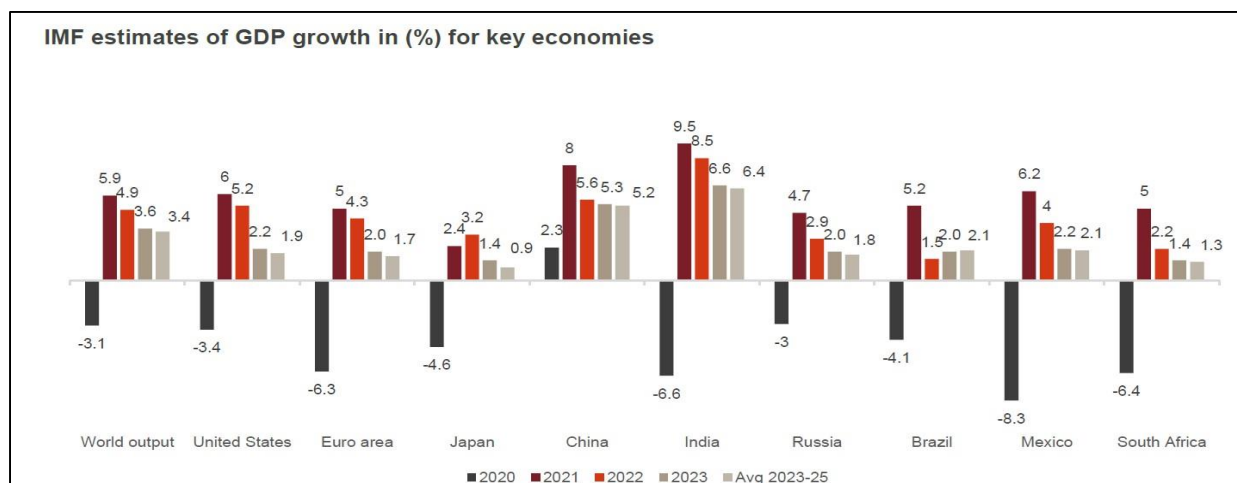
#### Review and outlook of economic growth and inflation in key global economies

The global recovery continues, but the momentum weakened due to the resurgence of COVID-19 infections fueled by the highly contagious delta variants. Pandemic outbreaks in critical links of global supply chains have resulted in longer-than-expected supply disruptions, further feeding inflation in many countries. Overall, risks to economic prospects have increased, and policy trade-offs have become more complex.

Fiscal 2020 was volatile for the global economy. The first three quarters were ensnared by trade protectionist policies and disputes among major trading partners, volatile commodity and energy prices, and economic uncertainty arising from Brexit. Hopes for a broad-based recovery in the fourth quarter were dashed by the COVID-19 pandemic, which led to considerable human suffering and economic disruption.

As per the International Monetary Fund (“IMF”), the global economy is projected to grow 5.9% in Fiscal 2021 and 4.9% in Fiscal 2022. The 2021 global forecast is unchanged from the April 2021 outlook, but with offsetting revisions. Prospects for emerging market and developing economies have been marked down for 2021, especially for emerging Asia. By contrast, the forecast for advanced economies has been revised up. These revisions reflect pandemic developments and changes in policy support. The 0.5% revision on the upper side for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States (“US”), reflecting the anticipated legislation of additional Fiscal support in the second half of 2021 and improved health metrics more broadly across the group.

Close to 60% of the population in emerging market and developing economies such as India and Russia have been fully vaccinated as of March 1, 2022. India has administered over 1.8 billion vaccine doses since its vaccination drive began in January 2021 with almost 796 million above 18+ have received both doses. China has vaccinated 85% of its population, compared with close to 65%, 70% and 80% in advanced economies such as USA, Euro area and Japan respectively. Low-income developing countries have tiny fraction of their population vaccinated.



\*Euro area includes Germany, France, Italy and Spain

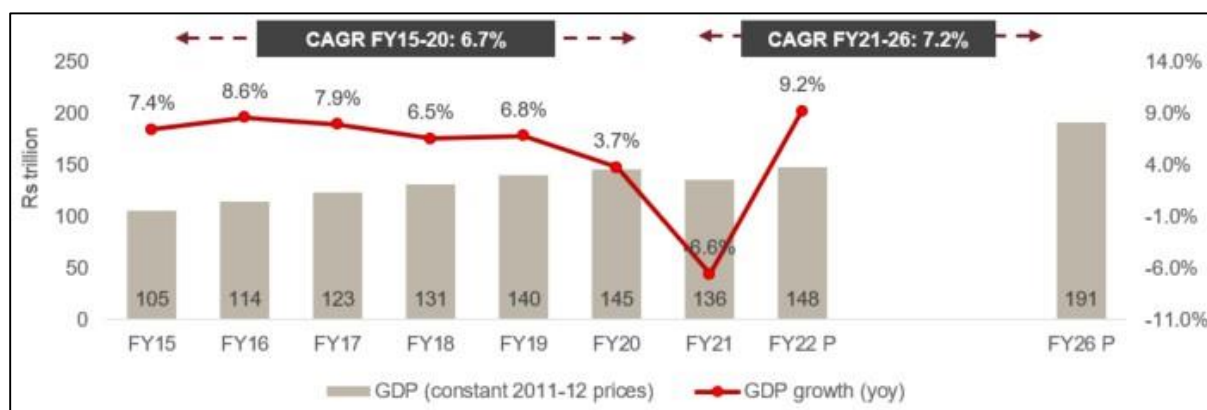
Source: IMF (World Economic Outlook – October 2021 update), IMF data mapper

## OVERVIEW OF INDIAN ECONOMY

### Review of real GDP growth over Fiscals 2016 to 2021 and outlook for Fiscals 2022 to 2026

The Indian economy logged a robust 6.7% CAGR over Fiscals 2015 to 2020, driven by rising consumer aspirations, rapid urbanisation, the government's focus on infrastructure investment and growth of the domestic manufacturing sector. The economic growth was supported by benign crude oil prices, softer interest rates and lower current account deficit. The Indian government also undertook key reforms and initiatives, such as implementation of the Goods and Services Tax ("GST") and Insolvency and Bankruptcy Code ("IBC"); Make in India and financial inclusion initiatives; and gradual opening of sectors such as retail, e-commerce, defense, railways and insurance for foreign direct investments ("FDIs"). FDI inflow into India grew to \$81.9 billion in Fiscal 2021 from \$45.1 billion in Fiscal 2015. Growth over Fiscals 2015 to 2020 was, however, impacted by demonetisation, the NBFC crisis, the GST implementation and slower global economic growth. India's economic growth was led by services, followed by the industrial sector, over the period.

**GDP expected to grow 9.2% on-year in Fiscal 2022; long-term growth (Fiscals 2021 to 2026) expected at 7.2% CAGR**



Note: P – Projected, Fiscal 2021 – Provisional estimates

Source: National Statistical Office ("NSO"), IMF, CRISIL Research estimates report dated April 05, 2022

Growing restrictions on the movement of people and lockdowns in the affected countries led to demand, supply and liquidity shocks, which resulted in major financial losses and bankruptcies of several players in different industries.

India saw one of the world's most stringent lockdowns from March 2020. As lockdowns were gradually lifted, economic activity saw a revival in the second half of Fiscal 2021. After a steep contraction in the first half, owing to the rising number of COVID-19 cases, GDP growth is estimated to have moved into positive territory towards the end of the Fiscal. Supported by normal and largely well- distributed monsoon, and healthy sowing and groundwater situation, agricultural GDP is estimated to have grown 3% on-year. Manufacturing and services GDP, on the other hand, shrunk on account of restrictions on activities and people movement, especially during the first half of the Fiscal. Free Trade Agreements signed by Indian government between 2013 to 2018 and subsequent support by way of anti-dumping duty (“ADD”) and Make in India thrust relatively resilient in Indian economy. Government support to MSME sector, Banks opening up for lending and Corporates coming forward to do capex investment. Adequate forex reserves to withstand import outflow and USD-Rupee strength.

The highly virulent nature of the second COVID-19 wave had a negative impact on public sentiment. Economy started recovering from September 2021 as infections subsided and vaccination gathered pace.

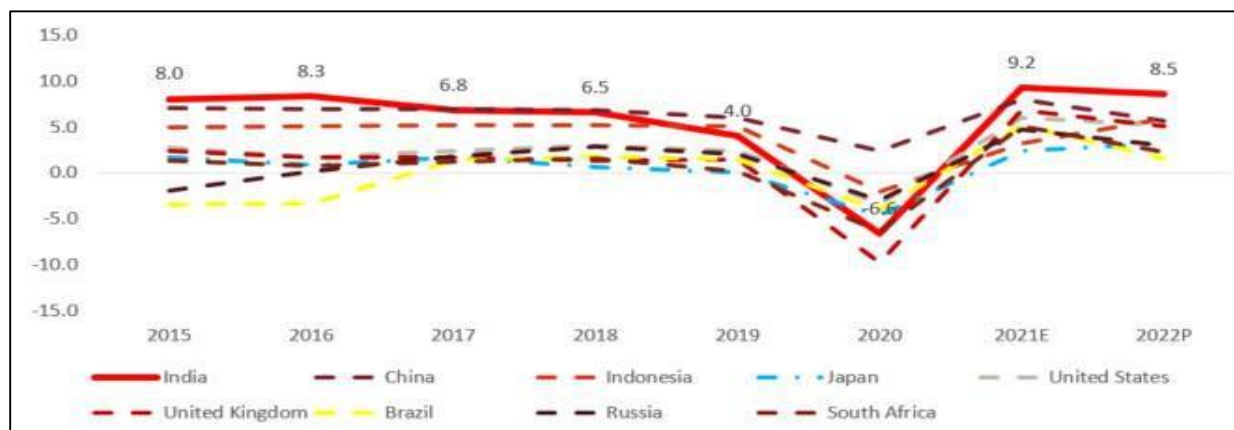
The first advanced estimates (“FAE”) released by the National Statistical Office today show India's GDP is set to grow 9.2% in this Fiscal compared with a pandemic-led contraction of 6.6% in Fiscal 2021, indicating the economy (in real terms) is still only 1.3% above the pre-pandemic (Fiscal 2020) levels.

While the economy has rebounded to pre-pandemic levels (Fiscal 2020), private final consumption expenditure (“PFCE”) – the largest demand side driver – continues to lag at ₹ 80.8 trillion in Fiscal 2022, 2.9% below ₹ 83.2 trillion in Fiscal 2020. Also, while investments, i.e., gross fixed capital formation (“GFCF”), are back in green, they are only 2.6% above the Fiscal 2020 levels (see tables at the end), suggesting that they are largely driven only by government-led infrastructure creation programmes and a wider investment cycle recovery with private and household sector participation still remaining weak.

### ***India's GDP will still grow faster than the world's***

India is one of the fastest-growing economies in the world, with annual growth of around 6.7% over Fiscals 2015 to 2020. Over the past four Fiscals, India's macroeconomic situation has gradually improved: the twin deficits (current account and Fiscal) have narrowed, and the growth-inflation mix has improved, and durably so. Both Fiscal and monetary policies are more prudent, focusing on raising the quality and not just the rate of growth. The government has adopted an inflation-targeting framework that provides an institutional mechanism for inflation control while modernising central banking. Fiscal policy has managed to stay mildly growth-focused while managing a gradual reduction in the deficit. The upshot is that India's macroeconomic variables are a lot more stable, and with sufficiently large reserves, the economy is resilient to any global shock today than it was during the taper tantrum of Fiscal 2013.

Rapid urbanisation, rising consumer aspirations and increasing digitisation, coupled with government support in the form of reforms and policies, are expected to support long-term growth. According to the IMF, India is likely to emerge as the fastest- growing country among major global economies in the CY2021, Fiscal 2022 and CY2022 period as well.



## India is one of the fastest-growing major economies (GDP growth, % on-year)

*Note: GDP growth is based on constant prices; P: projected*

*Source: IMF (World Economic Outlook – October 2021 update), IMF data mapper*

### ASSESSMENT OF THE GLASS INDUSTRY

Glass is an inorganic product produced by melting a mixture of silica sand, soda ash, limestone and other ingredients by heating the mixture at a very high temperature and followed by gradual cooling. The glass industry comprises four key segments — flat glass, container glass, fibre glass and specialty glass. Flat glass industry is divided into float glass, solar glass, figured glass and sheet glass industry.

### OVERVIEW OF FLOAT GLASS INDUSTRY INDIAN FLOAT GLASS MARKET —REVIEW AND OUTLOOK

Float glass is produced in wide-ranging dimensions, and is available in sizes of 0.4 mm to 25 mm thickness. Apart from aesthetic utility, it serves functional utility such as privacy, energy conservation, safety, protection against fire, and noise insulation.

Float glass is largely being used as a material in building and construction industry. It directly or indirectly competes with other building materials such as paints, plywood and laminates and ceramic tiles. Float glass is expected to be amongst the fastest growing building materials in India.

#### TYPES OF THE FLOAT GLASS

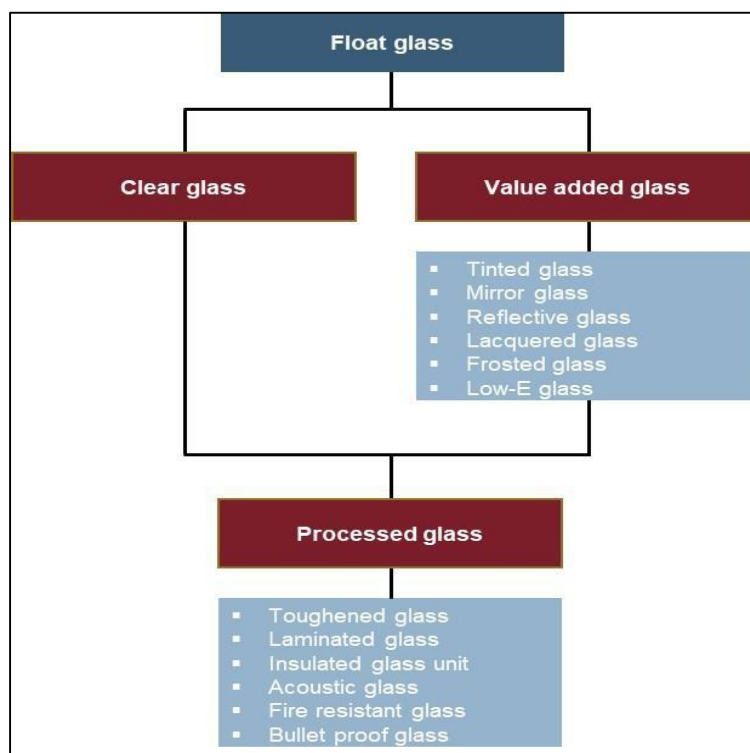
**Clear glass:** Clear glass, is a transparent glass, which allows passage of light. Clear glass offers little protection from heat, fire, physical and chemical impact, and is typically used across various applications, such as windows, furniture, shelves, partitions, doors, bathroom cubicles, balconies, staircases and the front side of commercial shops. Clear glass is also used as a base for further processing of glass to give it desired functional properties.

**Value added glass:** Value added glass category includes tinted, mirror, reflective, lacquered, frosted and low e-glass. Manufacturing of value added glasses entail value added processes such as inclusion of additives or coating of clear glass.

**Tinted glass:** Glass is coloured or tinted by adding specific metallic oxides during the manufacturing process. These additives can colour the glass bronze, green, blue or gray in tints, without affecting its basic properties. Tinted glass is used for its aesthetic appeal across facades and partitions. Tinted glass is also manufactured as a combination of reflective and frosted glasses.

**Mirrored glass:** Mirrored glass is produced by applying an aluminium or silver coating on one side of the glass. Mirrored glass is typically used in residential and commercial building sectors in furniture and automotive applications.

**Reflective glass:** Reflective glass is glass with a thin layer of metallic or metallic-oxide coating on one side. Reflective coating is applied during the float process to enhance the amount of heat reflected by the glass. The coating absorbs and reflects the sun's harmful ultraviolet and infrared rays, yet allows natural visible light to pass through, preventing





excessive solar glare. It is typically used in doors and windows. Reflective glass is available as a coating on clear as well as tinted glass.

**Frosted glass:** Frosted glass allows the light to pass through at the same time obscuring the view. Frosted glass is manufactured by turning a clear glass translucent through the process of sandblasting or acid etching. It is used across applications, which demand privacy as well as aesthetics. Frosted glass is used for partitions, door cabinets, bathroom windows, writing boards, other interior decorative applications.

**Lacquered glass:** Lacquered glass, which is also known as back-painted glass, is manufactured by depositing and baking a lacquer coating on one side of the clear glass. The lacquer gives it a coloured and opaque appearance. The lacquered finish protects the glass from damage, making it highly durable.

**Low-E glass:** Low-E glass stands for low emissivity glass which is a type of float glass which has low emissivity coating that minimizes the amount of infrared and ultraviolet light that passes through the glass allowing natural sunlight to pass through to receive optimal daylight. Low-E glass allows users to get natural light protecting one from harmful radiation. It also serves as an insulation from outside weather. It keeps indoors cooler in summer and warmer in winter. Both light emitting and insulation property helps user conserve energy.

**Laminated glass:** Laminated glass is made by joining two or more layers of float glass sheets with an ‘interlayer’ made from poly vinyl butyral (“PVB”) or ethylene-vinyl acetate (“EVA”) between them. Lamination prevents glass from shattering when impacted and is often used for architectural or automotive applications.

**Toughened glass:** Toughened glass is 4-5 times stronger compared with clear glass. It is manufactured by heating the annealed glass to 660°C to make it soft. Subsequently, the outer surfaces are cooled down rapidly, while the inner part is cooled slowly. Toughened glass can bear surface compression of over 10,000 pounds per square inch. Toughened glass is used in automotive applications, tabletops, wash basins, shelves, partitions and facades.

**Insulating glass unit (“IGU”):** Insulating glass unit (IGU), also referred to as double-glazing, consists of two or three glass panes separated by a spacer, with the gap between the glass panes filled with a noble gas. The air space in double glazing systems acts as a thermal insulation layer that keeps the interiors cool during summers and warm during winters.

**Acoustic glass:** Acoustic glass is a laminated glass with a specialised PVB interlayer to dampen external sounds and to keep the interiors calm and quiet. This type of glass not only reduces majority of external noise but also offers desired aesthetics and durability.

**Fire-resistant glass:** Fire-resistant glass is a specialised glass designed to prevent the spread of flames and smoke. Fire-rated glass consists of multiple layers of specially coated glass with a transparent interlayer sandwiched in between.

**Bulletproof glass:** Bulletproof glass is made of multiple layers of laminated glass with a thickness of over 19 mm and layer(s) of transparent polycarbonate sandwiched in between. Bulletproof glass is used in buildings and is important from a security perspective; it is also used in military and diplomatic vehicles.

## FLOAT GLASS MARKET IN INDIA

Indian Float glass manufacturing is a highly consolidated industry with only five organized players and no unorganized players. According to CRISIL Report, demand for float glass at 3.4 million tonnes in India in Fiscal 2022. CRISIL Research has considered unprocessed glass, covering clear, tinted, mirror, reflective, lacquered and frosted glass as a part of float glass market. Demand for float glass is estimated to have grown from 1.9 million tonnes in Fiscal 2016 to 2.6 million tonnes in Fiscal 2021, implying a 6.0% CAGR. The domestic demand is estimated to have grown at a healthy 8.5% CAGR over Fiscals 2016 to 2020, even as COVID-19 hurt demand sentiment in Fiscal 2021, posting a marginal decline of approximately 4%. Demand is expected to recover sharply to 3.4 million tonnes in Fiscal 2022, driven by pent-up demand and faster-than-anticipated recovery in the buildings and construction segment. Imports form a significant proportion of domestic demand, indicating scope for expansion of domestic manufacturing capacity. Imports historically have been high due to limitation in domestic capacity. Secular tailwinds in place supporting

domestic glass manufacturers. Imports, which typically range from 20% to 30% of domestic demand, are expected to shoot up to 34% of domestic demand in Fiscal 2022. A majority of this import was of clear glass.

### Indian float glass market capacity utilization

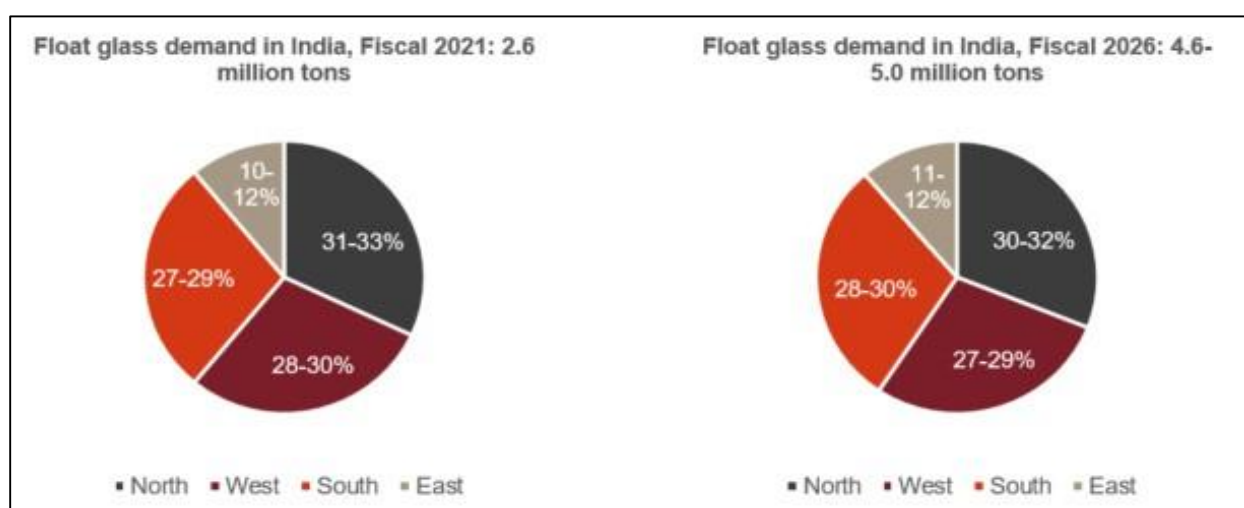
|  | Fiscal 2020 | Fiscal 2021 |
|--|-------------|-------------|
| Float glass capacity (in million tonnes)   | 2.8         | 2.8         |
| Float glass production (in million tonnes) | 2.1         | 2.2         |
| <b>Industry capacity utilisation (%)</b>   | <b>75%</b>  | <b>79%</b>  |

*Note: Float glass market includes clear and value-added glass, 1 tonne - 1,000 kg*

*Source: CRISIL Research estimates report dated April 05, 2022*

Demand for float glass is expected to rise to 4.6 to 5.0 million tonnes in fiscal 2026 from 2.6 million tonnes in fiscal 2021, posting a rapid growth of 12% to 14% CAGR. Demand revival after the pandemic and faster economic growth should support demand for float glass to fiscal 2026 and beyond. Domestic demand is significantly larger than domestic supply, translating into a growth opportunity for domestic manufacturers.

### FLOAT GLASS MARKET BREAK-UP BY REGION



*Source: CRISIL Research report dated April 05, 2022*

Dominance of the northern region is account of higher population concentration compared with other regions, higher per capita income districts, presence of a large commercial real estate market, and growing organised retail space. The West has a higher concentration of larger markets; however, few numbers of states as compared with the North. The southern region has the largest commercial real estate market – Bengaluru, Chennai, and Hyderabad. The standard of living, though, is comparatively lower vis-à-vis the northern and western markets. The eastern market has relatively smaller share at 10-12% owing to relatively lower commercial real estate activity and per capita income compared with the rest of the regions.

Going forward, CRISIL Research expects the southern region to lead the growth float glass trajectory, owing to strong growth momentum across key application segments due to growth in commercial real estate, rising standard of living, and presence of greater concentration tier I and II markets compared with other regions. The region is forecast to grow at 13-15% CAGR between Fiscals 2021 and 2022 compared with a pan India growth of 12-14% CAGR. Demand for float glass in the eastern region will also rise at a fast clip vis-à-vis the pan India average on account of lower per capita penetration. Accordingly, CRISIL Research projects North, West, South and East regions to comprise 30% to 32%, 27% to 29%, 28% to 30% and 11% to 12% share of pan India float glass demand at end-Fiscal 2022.

### FLOAT-GLASS INDUSTRY DISTRIBUTION VALUE CHAIN

**Float glass manufacturers:** Float glass manufacturers are typically engaged in the manufacturing of basic and semi-finished glass. Only a few float glass manufacturers are engaged in the manufacturing of processed glass. Asahi India Glass, Gold Plus Glass, Gujarat Guardian, Saint Gobain and Sisecam are the manufactures of float glass in India.

Float glass manufacturers typically sell through distributors. However, a few large retailers, which have full truckload requirements, buy directly from the float glass manufacturers. Distributors sell basic and semi-finished glass through retailers to individual customers and builders. Large builders and developers also procure directly from distributors. Float glass manufacturers also sell glass to processors who manufacture different types of processed glasses. Float glass manufacturers face very low sales concentration risk, due to a very wide customer base ranging from processors, distributors and retailers.

**Float glass processors:** Float glass processors procure basic or semi-finished glass from float glass manufacturers and manufacture value-added glasses, such as laminated, toughened, insulated gas units and acoustic glasses. The processed glass market is highly scattered in nature, as these entities are located closer to the end-customer markets, thereby catering to customers with tailor-made offerings. As a result, float-glass processors typically specialise across a few glass categories and application segments.

Float glass processors procure either from float glass manufacturers or processors, depending on the quantum of procurement quantities. Processed glass is sold directly to organised buyer segments, such as white goods appliance manufacturers or automobile OEMs. Additionally, processed glass is sold through distributors and retailers to individual customers and builders. Processors are in general bulk buyers of float glass allowing them to deal directly with the manufacturers for their float glass requirement.

**Distributors/ wholesalers:** Distributors/ wholesalers procure glass from float glass manufacturers and sell to retailers and processors. Distributors also procure processed glass from processors and further sell it to retailers. All the distributors are multi- brand distributors. Certain distributors also operate in the market as retailers and or processors.

**Retailers:** Retailers typically procure from distributors and sell to builders / developers and individual customers. Large retailers also procure from distributors and processors. All the retailers are multi-brand retailers. Certain retailers also operate in the market as distributors.

As per industry estimates, the float glass industry in India comprises 700-800 distributors, 1,000-1,200 large retailers, and 300-

350 processors. However, it should be noted that there is an overlap with regard to the operations of several players, i.e., a number of distributors serve as retailers as well, and several processors operate as distributors.

Manufacturers like SGIPL and Gold Plus operate with good coverage across the entire distribution value chain including distributors, retailers and processors. Players like AIS and Sisecam have relatively more focus on processors even as they cater to distributors, wholesalers and retailers. Whereas players like Gold Plus are more focused on distributors, wholesalers, and retailers than processors.

Manufacturers such as SGIPL and Gold Plus have clear variants, and value-added glass manufacturing facilities at the same location, which makes it feasible for them to dispatch low order quantities of float glass and a mix of float glass types, including value added glass and its variants, as part of a single consignment. Hence, such manufacturing set up gives SGIPL and Gold Plus added advantage of serving smaller distributors, retailers, and processors as these may not have the scale to order a truck load of clear and clear glass variants, or value added and value-added glass variants separately.

Since outbound freight is an important cost component, it is prudent to be closer to the end use market. As a result, glass manufacturers are generally observed to have a relatively strong distribution value chain within 700-800 km radius around their manufacturing locations. Yet players like AIS, Gold Plus Glass and SGIPL cater to wider markets and have pan India distribution reach.

## DEVELOPMENT OF THE FLOAT GLASS INDUSTRY IN INDIA

|          |   |
|----------|---|
| Pre 1995 | Gujarat Guardian was the first company to set up a float glass line in India. Gujarat Guardian set up its maiden float glass line with a capacity of 550 TPD. |
| 2000     | SGIPL India established its first float glass line in Chennai, Tamil Nadu, with 650 TPD capacity.   |
| 2005     | SGIPL set up its second float glass line in Chennai in November 2005, with 750 TPD capacity.  |
| 2007     | AIS added a second float glass line in Roorkee, Uttarakhand, with 700 TPD capacity.   |
| 2009     | Gold Plus set up its first float glass line in Roorkee, with 460 TPD capacity.  |

|           |  |
|-----------|--|
| 2010      | Hindusthan National Glass and Industries set-up its first float glass line, with 600 TPD capacity, in Halol, Gujarat, and Sejal Architectural Glass set up its first float line with 550 TPD capacity in Jhagadia, Gujarat in February 2010  |
| 2011      | Sejal Architectural Glass was acquired by SGIPL  |
| 2012      | Gujarat Guardian enhanced its capacity by 50 TPD to 600 TPD via refurbishment of its existing line.  |
| 2014      | SGIPL added a fourth line with 900 TPD capacity in Bhiwandi, Rajasthan, and AIS retired its 500 TPD float glass line in Taloja, Maharashtra  |
| 2017      | AIS restarted its 500 TPD float glass line in Taloja in November 2017.   |
| 2018      | Gold Plus added a second line with 700 TPD capacity in Roorkee in February 2018, and Sisecam acquired Hindusthan National Glass and Industries.  |
| 2019      | Gold Plus enhanced its line 1 capacity in Roorkee by 90 TPD to 550 TPD, and SGIPL added a fifth line with 1,200 TPD capacity in Chennai.   |
| Post 2019 | Post 2019, there has been no fresh domestic capacity added. As is the case with other capex intensive manufacturing industries, setting up float glass capacity takes time. For an established float glass manufacturer, it typically takes 2 to 3 years to operationalize a capacity from finalization of the date for capex plans. |

*Note: Float glass market includes clear and value-added glass, 1 tonne - 1,000 kg*

*Source: CRISIL Research report dated April 05, 2022*

Demand for float glass is expected to rise to 4.6 to 5.0 million tonnes in fiscal 2026 from 2.6 million tonnes in fiscal 2021, posting a rapid growth of 12% to 14% CAGR. Demand revival after the pandemic and faster economic growth should support demand for float glass to fiscal 2026 and beyond. Domestic demand is significantly larger than domestic supply, translating into a growth opportunity for domestic manufacturers.

#### **IMPORT-EXPORT SCENARIO FOR THE FLOAT GLASS INDUSTRY**

Float glass imports in India grew at 4.3% CAGR over fiscal 2016 to 2020 period. Clear, reflective and tinted glass together accounted for more than 90% of imports. Clear glass imports grew at a 2.7% CAGR during fiscals 2016 to 2020, while those of value-added glass grew at 6% CAGR. Indonesia, Malaysia, Thailand, China, Iran and Bangladesh are among key import partners for India. Imports from Malaysia, Thailand and Bangladesh rose by approximately 350%, approximately 22%, approximately 52% CAGRs over Fiscals 2016 to 2021.

Imports were on a decline due to general economic over Fiscal 2019 to 2020. Imports declined further as COVID-19 pandemic struck globally. Even as the global COVID-19 situation improved, imports of float glass were subdued due to higher freight rates amid shortage of containers. In Fiscal 2022, as the container availability and domestic demand scenario improved, imports of float glass surged to Fiscal 2020 level over April-October 2021.

The below table covers import duties and tariffs across major import trade partners.

| Country of import | Type of glass   | Basic custom duty | Anti-Dumping Duty validity period              | Anti-Dumping Duty     |
|-------------------|---|-------------------|--|-----------------------|
| Malaysia          | Clear float glass of 4mm -12mm thicknesses  | 10%               | • Since September 2020- Valid for next 5 years | USD 272.9- 326 per MT |
| Iran              | Clear float glass of 4mm -12mm thicknesses  | 10%               | • Since May 2017- Valid for next 5 years       | USD 52.3-55.4 per MT  |
| UAE               | Clear float glass of 4mm -12mm thicknesses  | 10%               | • Since Dec 2019- Valid for next 5 years       | USD 79- 111.15 per MT |
| Saudi Arabia      | Clear float glass of 4 mm to 12 mm thickness (reflective glass, tinted glass including green glass and transitional glass not included) | 10%               | • Since Dec 2019- Valid for next 5 years       | USD 165 per MT        |
| Pakistan          | Clear float glass of 4 mm to 12 mm thickness  | 10%               | • Since Dec 2019- Valid for next 5 years       | USD 25.6-124.6 per MT |

In addition, due to imposition of anti-dumping duty by the Government of India on clear glass products imported from Malaysia, United Arab Emirates, Iran, Saudi Arabia and Pakistan global demand supply gap, and mandatory BIS certification of clear float glass (including for imported glass) with effect from April 1, 2022, presents a significant growth opportunity for Indian manufacturers exists.

## GROWTH DRIVERS

**Housing:** Glass-to-wall ratio per household is expected to further rise as glass is replacing brick, wood and metal usage. For instance, wooden tabletops and cabinet shelves are being replaced with glass for better aesthetics. Glass usage intensity is rising as window sizes are increasing. Brick/ wooden partitions are also being replaced with glass. With the standard of living improving, smaller mirrors are getting replaced with bigger ones. Glasses are finding newer applications in wardrobes, kitchen cabinets, room doors, bathroom cubicles etc. Staircase walls, balconies, building lobbies and passenger lifts are also seeing an increase in the use of glass. The housing sector also generates huge replacement demand due to periodic renovation of houses in keeping with the growing and changing needs of families. Glass is seen as the material of choice as ongoing innovations in the glass industry increase the products' safety and aesthetics. Some of the products of such innovations include tinted, toughened, lacquered, and laminated glass.

**Commercial real estate:** Entry of multinational developers into domestic commercial real estate has revolutionized the sector in terms of structure and quality. Glass is preferred in offices as it helps save space, permeates translucent lighting and facilitates quieter environments. With environmental sustainability becoming increasingly important, demand for green buildings is particularly high among corporates. Glass is seeing more usage in building exteriors, helping users achieve energy efficiency as reflective glass absorbs and reflects a significant amount of the outside heat thereby sustaining the interiors and allowing natural light to pass through. Green buildings with appropriate glazing have the potential to save 35% to 40% energy compared with those built with ordinary glass.

**Automobiles:** With rising disposable income, not only is passenger vehicle penetration deepening but also consumer preference is shifting towards bigger, premium cars. Traditionally, India has been a small-car market. However; over fiscals 2016 to 2021, demand for small cars declined from 63% to 54% while that for bigger utility vehicles (UVs) increased from 21% to 39%. Demand for glass has, therefore, increased as bigger cars have larger windshields, sidelights and backlites. The per vehicle glass content in a small car is typically 45 kg to 55 kg, whereas for larger size sedans and SUVs, it ranges 60 kg to 75 kg.

Further, consumers now prefer feature-rich models over basic models. By 2026, demand for mid and top variants is likely to increase 5% to 10% in the small-car segment, and approximately 15% in the large cars and UV segments. Demand for glass is increasing in cars due to Increasing tilt angle in windshields and panoramic sunroof feature. Demand for glass in terms of value is also higher due to inclusion of IR cut glass, UV cut glass, rain sensor windshield, heated windshield, and heated backlites features.

Even in buses the sizes of windshields and sidelites are increasing in line with the trend in the developed markets. Large glasses offer both functional and aesthetical benefits and, therefore, consumers prefer vehicles with such features. There is also an increased usage of glass in the automotive segments due to its environmental, technical, and aesthetic characteristics.

**Railway and metro coaches:** Glass usage intensity in railways is going up due to gradual shift in demand towards preference for air-conditioned travel which necessitates deployment of air-conditioned coaches. Air-conditioned coaches have larger glass content than non-air-conditioned coaches. Growing tourism and introduction of trains meant tourism with panoramic view is a positive for the growth of glass demand from railway application.

**Consumer durables:** Changing lifestyles and rising affordability are resulting in consumers shifting to three-burner gas stoves from two-burner ones. Further, they also prefer toughened glass-top stoves to steel stoves as price differential between the two has narrowed over the years. This has opened a new avenue for glass applications in consumer durables. Similarly, fully automatic washing machines with glass see-through features are gaining popularity. These trends are positive for the float-glass industry. There is also an increased usage of glass in the industrial segments due to its environmental, technical and aesthetic characteristics.

## HIGHLY SUPPORTIVE POLICY ENVIRONMENT

**Imposition of anti-dumping duties on cheaper imports:** The government has imposed anti-dumping duties on cheaper imports from several countries such as China, Thailand and Malaysia, and Middle Eastern countries from time to time to protect interests of the domestic glass industry.

**Quality Control Order (“QCO”):** The government and Bureau of Indian Standards (“BIS”) have ascribed certain quality standards for transparent float glass, flat transparent sheet glass and safety glass. The said act has come into force for transparent float glass and flat transparent sheet glass from April 1, 2022 (on safety glass quality standard date has been extended to April 1, 2023). These rules mandate that these products imported from other countries should get the BIS stamp before they are sold. This is expected to curb imports of sub-standard quality glasses into India, which will provide level-playing field for domestic float glass industry.

**Energy Conservation Building Code (“ECBC”):** The Bureau of Energy Efficiency (“BEE”) and Ministry of Power introduced the ECBC Rules 2018. These rules are applicable to all commercial buildings with a connected load of 100 kiloWatt (“kW”). These rules specify design norms that will help achieve energy efficiency. Increased usage of reflective glass helps architects and developers meet these norms.

**Inclusion of glass and glazing in the National Building Code 2016:** A new section on glass and glazing was included in the National Building Code (“NBC”) 2016. It contains specific guidelines (such as thickness) on the type of glass that can be used in buildings depending on the requirements of energy and lighting, rescue and firefighting operations and human safety. Inclusion of glass in the NBC is beneficial for the industry.

**Government’s Make in India initiative:** Make in India is a Government of India initiative launched by Prime Minister Narendra Modi in 2014 intended to boost the domestic manufacturing sector and augment investment into the country. The long-term vision is to gradually develop India into a global manufacturing hub, and boost employment opportunities in the country. The government has further given a boost to this vision by launching production linked schemes across various sectors. Therefore, make in India initiative is also likely to benefit glass sector as manufacturing of several products in which float glass finds an application will be encouraged to be domestically produced.

## KEY COMPETITORS IN FLOAT AND SOLAR GLASS MARKETS

| Company            | Plant locations |                           | No of lines | Capacity (TPD) | Product coverage             |
|--------------------|-----------------|---------------------------|-------------|----------------|------------------------------|
| Float glass        |                 |                           |             |                |                              |
| Asahi India Glass  | North           | Roorkee, Uttar Pradesh    | 1           | 700            | Value Added                  |
|                    | West            | Taloja, Maharashtra       | 1           | 500            | Clear variants               |
| Gold Plus Glass    | North           | Roorkee, Uttar Pradesh    | 2           | 1,250          | Clear variants + Value added |
| Gujarat Guardian   | West            | Kondh Gujarat             | 1           | 600            | Clear variants               |
| Saint Gobain India | South           | Sriperumbudur, Tamil Nadu | 3           | 2,600          | Clear variants + Value added |
|                    | North           | Bhiwadi, Rajasthan        | 1           | 900            | Clear variants               |
|                    | West            | Jhagadia, Gujarat         | 1           | 550            | Clear variants               |
| Sisecam Flat Glass | West            | Halol, Gujarat            | 1           | 600            | Clear variants               |
| Solar glass        |                 |                           |             |                |                              |
| Borosil Renewables | West            | Jhagadia, Gujarat         | 1           | 450            | Solar                        |

Source: Company reports, press releases, media articles, CRISIL estimates report dated April 05, 2022

The Indian float glass industry is concentrated among five industry players, viz., AIS, Gold Plus, Gujarat Guardian, SGIPL and Sisecam Flat Glass. Borosil Renewables is the sole manufacturer of solar glass in India. SGIPL is the largest player, with approximately 52.6% share in India’s total float glass manufacturing capacity. Gold Plus and

AIS are the second and third largest manufacturers with approximately 16.2% and approximately 15.6% share respectively.

Float glass capacities are currently dominant in northern India, comprising approximately 37% of the total 7,700 TPD float glass capacity in India. Southern and western regions follow, with approximately 34% and approximately 29%, respectively. Gold Plus is the largest float glass manufacturer in northern India. SGIPL is dominant in the south, and Sisecam Flat Glass and Gujarat Guardian in the west.

The Indian float glass industry is dominated by foreign companies. SGIPL, AIS and Sisecam Flat Glass are owned and controlled by their respective global parents. Gujarat Guardian is a joint venture between Guardian Industries Corp., USA and Modi Rubber Limited. Gold Plus is the only company that is owned and controlled by an Indian promoter.

Gold Plus and SGIPL are the only two manufacturers in India with capability to dispatch the comprehensive range of clear and value-added glasses from one location, owing to clear and value-added manufacturing lines at the same facility.

Gold Plus is India's second largest float glass manufacturer with a 16% share in manufacturing capacity of float glass and a 30% market share in the value-added glass segment in terms of sales volume in Fiscal 2021. It is also the largest float glass manufacturer in north India and the only company that has two production lines at one location with an aggregate capacity of 1,250 tonnes per day

All five manufacturers of float glass have received BIS certifications which has been made mandatory from April 1, 2022. Gold Plus Glass became the first float glass manufacturer in the Indian industry to receive BIS certification in August 2017.

*Source: Company reports, MCA, company websites, CRISIL Research report dated April 05, 2022*



## BUSINESS OVERVIEW

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled 'Risk Factors', 'Financial Statement' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page no. 22, 162 and 167 respectively, of this Draft Prospectus.

Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Agarwal Toughened Glass India Private Limited.

Our Company was incorporated as "Agarwal Toughened Glass India Private Limited", Company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 30, 2009, issued by the Registrar of Companies, Jaipur, Rajasthan, India. Subsequently, our company was converted into Public Limited Company and the name of the Company was changed from "Agarwal Toughened Glass India Private Limited" to "Agarwal Toughened Glass India Limited" under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on January 30, 2023, and had received Certificate of Incorporation dated March 06, 2023, issued by the Registrar of Companies, Jaipur, Rajasthan, India. For details pertaining to the changes of name of our company and change in the registered office, please refer to the chapter titled '*History and Certain Corporate Matters*' beginning on page no. 132 of this Draft Prospectus. The CIN of the Company is U26109RJ2009PLC030153.

Agarwal Toughened Glass India Limited is in the business of manufacturing toughened glass. Our product portfolio consists of toughened value addition glasses which are of various thickness and sizes. The toughened value addition glasses are obtained after processing the float glass. After processing the toughened glass, variety of glasses are further obtained such as clear toughened glass, laminated toughened glass, reflective toughened glass, tinted toughened glass, double glazing glass and frosted toughened glass. As a result of its safety and strength, toughened glass is used in a variety of demanding applications including passenger vehicle windows, shower doors, architectural glass doors and tables, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks and various types of plates and cookware etc. Also toughened glass is commonly used in doors, facades, staircases, balustrades and as partitions in the shopping malls, hospitals, airports, residential apartments, commercial apartments building etc.

From incorporation date till 2015, our company was under the process of setting up its factory unit. From 2016 onwards, our company started its 1<sup>st</sup> factory unit and the 2<sup>nd</sup> manufacturing unit started in 2022. Within our factory unit 1, float glass is simply converted into toughened glass and within our factory unit 2, toughened glass is then converted into other variety of value added toughened glasses

Our company is manufacturing various types of toughened glasses as per the quality standards as prescribed by Bureau of Indian Standard (BIS) for using ISI mark. Our ISO 9001:2015 certification has made our Quality Management System comparable with the best in the world. All our products are sold in within India only. Our products are being used by various segment viz., office buildings, hotels, institutions, banks, insurance companies, shopping malls, diplomatic residences, etc. Our products cater to a range of end use industries including construction, automotive, and industrial sectors, with a variety of applications such as exterior and interior spaces of residential and commercial buildings. Our top customers include Window Magic India Pvt. Ltd., Riddhi Siddhi Inovations (India) Pvt. Ltd, Dhabriya Polywood Limited, Saint Gobain India Pvt. Ltd, Design Kraft Solutions, Jatan Constructions Private Limited, Narendra Interiors Pvt. Ltd., Royal Glass And Hardware World etc..and our top suppliers include Saint Gobain India Private Limited, Asahi India Glass Limited, Borosil Renewables Limited, Gold Plus Glass Industries Limited, Gujarat Guardian Limited, Sisecam Flat Glass India Private Limited etc.

Our company is procuring orders either through direct clients or through our well experienced sales and marketing team who have the experience in glass industry. Our process time for manufacturing value-added glass and processed glass, will depend upon the size, thickness, quantity and quality of glasses selected by our client.

### Brief on our Financials:

(Rs. in Lakhs)

| Particulars   | As on Sep 30,<br>2023 | As at March 31, |        |        |
|---------------|-----------------------|-----------------|--------|--------|
|               |                       | 2023            | 2022   | 2021   |
| Share Capital | 475.00                | 475.00          | 475.00 | 475.00 |



| Particulars                   | As on Sep 30,<br>2023 | As at March 31, |          |          |
|-------------------------------|-----------------------|-----------------|----------|----------|
|                               |                       | 2023            | 2022     | 2021     |
| Net Worth                     | 1,235.09              | 783.06          | 676.71   | 561.55   |
| Total Revenue from operations | 1,910.20              | 4,060.32        | 3,471.99 | 2,293.63 |
| Profit after Tax              | 434.47                | 99.40           | 49.32    | 20.74    |
| EPS (in Rs.)- Basis & Diluted | 9.15                  | 2.09            | 1.04     | 0.52     |
| NAV per equity share (in Rs.) | 25.22                 | 16.07           | 13.98    | 12.94    |
| EBITDA                        | 784.97                | 528.10          | 472.79   | 296.10   |
| RONW %                        | 48.36                 | 17.36           | 7.43     | 3.37     |

For further details on our financial performance, please see “**Financial Information**” beginning on page no. 143 of this Draft Prospectus.

## Our Strengths

### *Strong brand presence in Indian Market*

Our company have built a trusted, high quality and reliable brand of choice over the past few years wherein we have received various awards. This has led to strengthening our name as one of the leading players in glass industry in India. Our company’s track record has assisted us with building a strong brand recognition and credibility. The recognition and acceptance of “*Agarwal-Glasses for New Era*” as a brand has significantly contributed to the success of our business. For further details, please refer to the chapters titled “History and Certain Corporate Matters” and “Government Approvals” on page nos. 132 and 215 of this Draft Prospectus.

### *A combination of experience and expertise*

Our Company operates under the guidance of our Promoters who have a long standing experience in the glass industry. Our promoter’s innovation, strategically managing the business operations and planned marketing and sales has led to increase in the growth of our business, sales and thereby increasing our financial performance. For further details regarding the experience and qualifications of our management team please see “Our Management” on page 103 of the Draft Prospectus. We believe that the knowledge and experience of our promoters and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business.

### *Long Standing Relationship with our customers*

Being in the business of manufacturing toughen glass for the last 8 years has led us to constantly address the customer needs for variety of glass. Our existing relationships helps us to get repeated orders from our existing customers and also attracts newer clients. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business. Further, we rely on personal relationships with our customers. We believe that existing relationships will help as a core competitive strength for us. **The following table sets forth our Customer - Wise Sales:**

(Rs. in Lakhs)

| Particulars  | As on<br>Sept. 31,<br>2023 | % #        | As At           |            |                 |            |                 |            |
|--------------|----------------------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|
|              |                            |            | 31-Mar-<br>2023 | % #        | 31-Mar-<br>2022 | % #        | 31-Mar-<br>2021 | % #        |
| B2B          | 1,851.93                   | 96.95      | 3,893.82        | 95.90      | 3,307.68        | 95.27      | 2,236.36        | 97.50      |
| B2C          | 58.27                      | 3.05       | 166.5           | 4.10       | 164.31          | 4.73       | 57.27           | 2.50       |
| <b>Total</b> | <b>1,910.20</b>            | <b>100</b> | <b>4,060.32</b> | <b>100</b> | <b>3,471.99</b> | <b>100</b> | <b>2,293.63</b> | <b>100</b> |

# as a percentage of revenue from operation

### *Consistent focus on quality*

We maintain stringent quality control across the entire production chain, including sourcing, processing, manufacturing, packaging and distribution. We are focused on stringent quality standards throughout our

manufacturing process in our own factory units. We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. Our factory units are ISO 2001:2015 certificated. Our commitment to stringent quality control has been critical to our success and has contributed to customers associating our brand with trust and transparency.

### ***Strong Risk Management***

In today's volatile markets, our clients look for expertise to help them manage their exposure to price risk. We have a sound Risk Management System as covered under the ISO certification that helps us to identify and mitigate all the risks in our business. For the risks identified as high or medium, we have well defined Action Plans as covered under the ISO certification. Over the years, we have been identifying, measuring and managing our own exposure to risk and are well aware of the operating and financial risks in our businesses. We work closely with all departments to identify, categorise, and mitigate risks. We have developed action plans to mitigate risks. By managing our risks professionally, we can conduct our business professionally and maintain a Quality Management System which is world class. Our ability to provide risk-managed supply chains makes us a reliable supplier to clients and dealers across businesses.

### **Our Business Strategies**

#### ***Continue to invest in infrastructure***

We intend to continue investing in our existing infrastructure facilities to support our business operations and to increase our productivity. To enhance our ability to produce laminated glasses, we intend to add one more advance Production Line Machine / advance Tempering Machine (with Upper Forced Fan Convection through Steel Tubes) to the existing line of production. By adding one more line of production, our company manufacturing capacity will increase by approximately 10.80 Lacs SQMT p.a. thereby increasing our sales and revenue from operations. For details on our manufacturing units, please refer to "Object of the Issue" on page no. 70 of the Draft Prospectus.

#### ***Expand our Current Business Relationships***

Client relationships are the core of our business. Our goal is to build long term relationships with both existing and new clients. With existing clients, we aim to expand the nature and scope of our engagements by increasing the size and number of projects and extending the breadth of our offerings. For new clients, we seek to provide value added solutions by leveraging our in-depth industry expertise and expanding the breadth of services offered to them. In addition, we intend to continue to develop better solutions for industry sectors which are significantly untapped.

#### ***Focus on consistently meeting quality standards***

We maintain a strong internal quality control checks in the key functional and operational areas, including various policies and procedures which ensure the orderly and efficient execution of work orders, including adherence to management's policies, safeguarding of assets, prevention and detection of fraud and error, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. We will continue to strengthen the quality control processes for the products which we offer. Our Company intends to focus on adhering to the quality standards of the products. The quality of the product is very important for the company from both the customer's point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products helps us in enhancing customer trust and maintaining long term relationships with customers.

#### ***Improving operational efficiencies***

Our Company focuses on improving operating efficiencies to achieve cost reductions to have a competitive edge. We continuously strive to increase operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency, higher productivity with minimum wastage. Economies of scale also plays an important role.

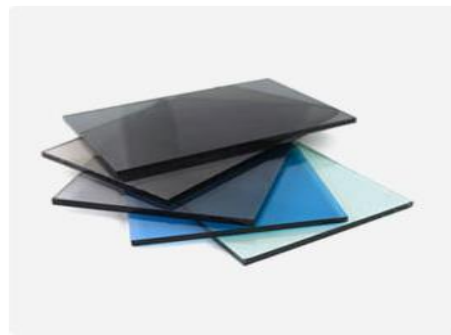
### **Details of Product portfolio**

Our product portfolio consists of toughened value addition glasses which are of various thickness and sizes. The toughened value addition glasses are obtained after processing the float glass. After processing the toughened glass, variety of glasses are further obtained such as clear toughened glass, laminated toughened glass, reflective toughened glass, tinted toughened glass, double glazing glass and frosted toughened glass. As a result of its safety and strength, toughened glass is used in a variety of demanding applications including passenger vehicle windows, shower doors, architectural glass doors and tables, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks and various types of plates and cookware etc. Also toughened glass is commonly used in doors, facades, staircases, balustrades and as partitions in the shopping malls, hospitals, airports, residential apartments, commercial apartments building etc. All our various types of toughened glasses are BIS mark. The revenue earned from sales of toughened glass is Rs. 1,868.79 Lakhs (97.83%), Rs. 3,995.03 Lakhs (98.39%), Rs. 3,340.94 Lakhs (96.23%) and Rs. 2,158.21 Lakhs (94.10%) for the period September 2023, FY 2022-23, FY 2021-22 and FY 2020-21 respectively.

## **Types of Toughened Glass manufactured by us**

### **A) Toughened Glass**

**Toughened Glass** - Toughened or tempered glass is a type of safety glass processed by controlled thermal treatments to increase its strength. In this process, glass undergoes a process of controlled thermal treatment to increase its strength. Regular glass is exposed to high heat and then rapidly cooled by a blast of air blown through nozzles on both sides of the glass in the quenching chamber. It is prepared by completing prior to its tempering, all such works in accordance with drawings, sizes and templates. This process of heating and rapid cooling makes it stronger than the annealed glass and enhances safety since it breaks into circular chunks reducing the risk of injury. Further, it does not alter the light transmission and solar radiant heat properties of the glass and cannot be cut, ground, drilled or worked upon.



***Usage** - Toughened or tempered glass is generally used for façade, curtain walls, railing, shower doors, doors and tables top, shelf glasses, etc.*

**Annealed Glass** - Annealed Glass is formed through the glass-cooling process that is performed at a fabricator's float plant. Annealed glass is also known as float or clear glass. It is a kind of glass that is not quenched after the heating process; it is allowed to cool slowly. Annealed glass is gently cooled in the 'annealing lehr' where the molten glass is subjected to a controlled cooling process that helps free it from internal stress. Post completion of the process, annealed glass is cut and prepared for distribution. Annealed glass can be used for further processing to obtain tempered glass, laminated glass, toughened glass, etc. Apart from processing, Annealed glass can also be coated with a metal oxide to make a tinted glass which is utilized in protection against solar glare.



***Usage** - annealed glass can be used for making table-tops to provide a sense of modern sensibility; • showcases • shower screens and bathroom windows; • windows and partitions and • diffused lighting.*

*Glass façade is used to create an exciting façade for building - in architectural designs. Clear annealed glass can act as the perfect front for a building. It will allow optimal sunlight to pass through while giving a crystal-like clarity vision. It will also provide a satisfactory glimpse of the interior of the building. In contemporary times, more and more importance are being paid to appearance.*

**Acid Frosted Glass** - Frosted glass has a very neat, clear, and glossy surface. One of the surfaces is frosted or obscured by blasting sand or abrasives under high pressure through a nozzle. A very thin layer of material is removed and the sand or abrasive causes pitting on the surface obscuring its 'see through' property but not obstructing the passage of light. The final glass is known as frosted glass which can then be used across multiple applications and can be added on top of any of the other variants of clear or value-added glass to increase their aesthetic appeal.

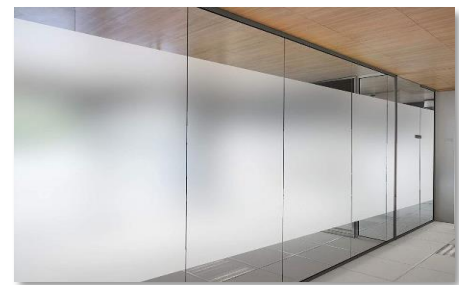
This technique uses hydrofluoric acid to achieve the frosted look of the glass. The acid reacts with the glass, corroding its surface and therefore providing it with its milky appearance. After the process of acid-etching, the glass experts thoroughly wash the glass, leaving behind permanently etched glass.

*Usage - Acid Frosted glass is most commonly used in bathrooms, commercial spaces and on front doors as it is well-known for promoting privacy. Frosted glass is the most favored choice for people wishing for more privacy while not wanting to block out the light.*



**Sand Blasted Glass**- Sandblasted glass is produced by spraying sand at high velocities over the surface of the glass. This gives the glass a translucent surface, which is usually rougher than that obtained by etching. During sandblasting, areas that are to remain transparent are masked for protection.

*Usage - Sandblasted glass or frosted glass is created by blasting particles of sand onto the surface of glass to create a frosting effect. It is used for both decorative purposes and to create privacy without blocking out light.*



**Heat-Soaked Glass**- Heat-Soaked Glass is a process applied to tempered or toughened glass so that the spontaneous breakage of glass is avoided due to the presence of Nickel Sulphide (NIS). As a precaution the toughened glass is made to go through the process of heat soaking so that it can act as a safety glass. Heat Soaking is a process in which glass is soaked in a heated chamber at 290 degrees centigrade for around two hours. This process accelerates the expansion of Nickel in case there is any Nickel Sulphide present and causes the glass to break. For safety reasons it is better that the glass breaks in the factory than at site where the glass is installed.

*Usage - Heat-soaked glass is used in areas where there is high risk of human impact.*



**Lacquered Glass** - Lacquered glass is a type of decorative glass that possesses a layer of colour coating on one of its surfaces. Hence, it is also known as back-painted glass. It is made by top quality clear float or ultra-clear float glass, through depositing a highly durable and resistant lacquer onto the flat and smooth surface of the glass, then by carefully baking into the furnace, which is constant temperature, permanently bonding the lacquer onto the glass. Lacquered Glass has all the features of the original float glass but also supplies wonderful opaque and colorful decorative applications.

*Usage - Lacquered glass/ back painted glass is for indoor use only. Back Painted Glass can be used in a wide variety of domestic, architectural, and commercial indoor applications -almost anywhere a contemporary and practical solution is required to enhance any interior space, includes: • Kitchens and bathrooms • Wall cladding, • Wardrobes • Tabletops, or countertops • Bars and restaurants • Feature walls • Hospitals and other public areas.*



**Tempered Safety Glasses-** The tempering process of float glass is to change the entire glass properties from its weakness to strengths as annealed glass is weak, poor shock and impact resistance and break into shrapnel like object which may be fatal if strike the humans from height and little force.

Tempering process make the annealed glass five stronger for better capable to impact resistance. Tempering Safety Glass is a strong, impact resistance, durable, adaptable, high performance glass glazing which provide the effective protection, reduce light transfer (tinted/ reflective glasses), very good safety against breakage and falling sharp fragments and splinters due to accidental impacts due Windstorms, Cyclone Hurricane and Earthquake besides the unique safety against forced entry and burglary acts.

*Usage: Architectural Glasses used in commercial buildings and high rise residential towers.*

## **B) Laminated Glass**

**Laminated Glass** - Laminated glass is a type of safety that holds together by sandwiching a layer of poly vinyl butyl between pairs of glasses. This glass is constructed by two or more glass panes bonded together with interlayers of polyvinyl butyral ("PVB") or ionomers between them and then treated and is generally used for safety and security purposes since the PVB layers make the glass layers stick to them so that it does not fall out of the window frame. The glass panes can be annealed float glass, toughened glass, or heat strengthened glass. The most common use of laminated glass is for front windscreens of automobiles and can also be used in architectural applications due to its characteristic of being safe, secure, acting as a barrier to noise, reducing the ultraviolet rays from the sun thereby protecting interior furnishing and fire retardancy.



*Usage - Laminated glass is a sandwich type made of one thin layer of plastic poly vinyl butyral between two or more sheets of glass. The PVB sticks with the glass, forms chemical as well as mechanical bonds. When laminated is used with annealed glass, the layer maintains the geometric integrity of the pane in case of breakage. Also, it gives acoustic insulation to acoustic popular windows as well as providing protection against damage caused due to UV radiation because it cuts almost 99% of UV radiation present in the sunlight. It is also used in Railings and Skylights. It is also used to increase the sound insulation rating of a window.*

## **C) Insulated/ Double Glazing Glass**

**Insulated Glass** - Insulated glass combines two or more glass panes that are spaced apart and sealed with a sealant to appear as a single unit. Also known as Double Glazed Unit or Hermetically Sealed Unit or Vacuum Glass or Soundproof Glass, these glasses are designed to improve thermal performance and reduce energy costs and act as a good insulator, reduce sound transmission, prevent condensation of dew, and offer energy conservation. This glass is more commonly known as double glazing or triple glass window panels separated by a vacuum or gas filled space to reduce heat transfer across a part of the building envelope.



*Usage - Insulated glass is generally used for façade and partitions, for reducing noise.*

## **Our Business Process**

### **Process flow chart for manufacturing Glass**

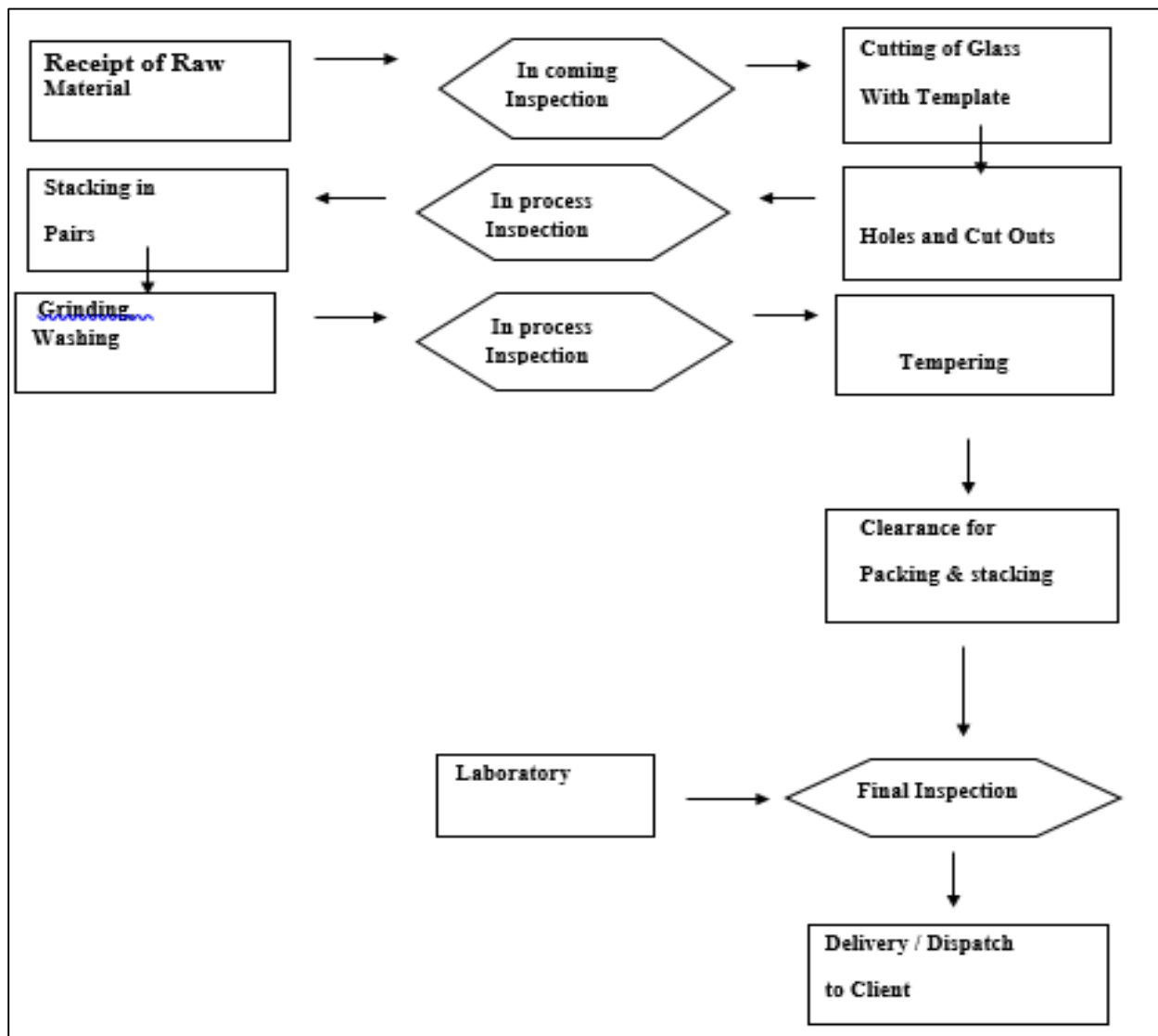
- 1) **Purchase of Raw Material-** There are several types of float glass, including clear float glass, tinted float glass, reflective float glass, low-e float glass, and acid-etched float glass available in market so, as per the requirement under any particular project and based on other technical specifications the order placed to the glass manufacturer company.

- 2) **Stock in warehouse-** The project specific glass stored in warehouse as per availability of material by suppliers because the suppliers of glasses are limited and availability of float glass for a particular quality as per particular technical specifications is limited, so it is required to procure the complete raw material in a single order cycle.
- 3) **Marking Batch Numbers-** The Stored material in warehouse is related with many running orders or projects, so after procurement of material it is required to mentioned batch numbers as per production department policy.
- 4) **Preparation of CSD report-** The Stored glasses are always in same sizes and required to cut the same as per requirement of any particular project so the Customer Service desk (CSD) will prepare the report as per order and sent for the same for approval, this is required to reduce the wastage of glass during cutting process.
- 5) **Cutting of Glasses-** The glass is automatically cut lengthwise and crosswise. The sheets of glass are raised by vacuum frames that then place them on glass stillages. The approved Customer Service desk (CSD) report provided to cutting division and the automated glass cutting division will program the parameters in machine and then cut the glasses as per requirement.
- 6) **Grinding, Polish, Cut, Holes-** This Grinding, Polish, Cut, Holes process is completely project specific and glasses are separately moved under all processes.
- 7) **Washing of Glasses-** Before process in to toughened plant it is required to wash the same by washing plant/machine and the process is integrated part of plant and each and every glass will go through this process.
- 8) **Process in toughened Plant-** The washed glasses after all checks moved in to toughened plant in which glass is heated above 720°C, which is the highest annealing point and after the extreme heating procedure, rapid cooling is conducted with air. Taking the surface lower than the annealing point cools off the glass. This causes the surface to become hard and contracts while the core still flows for a while. Finally, the core cools into numerous layers under tensile stress, balanced by compressive surface stresses. Because of these stresses, the toughened glass is strong and tough.
- 9) **Quality Inspection-** Automatic inspections and regular samples are taken to check the quality of the glass at each step in the glassmaking process. The complete batch of toughened glasses will require to inspect through quality check process and the batch wise quality check will be done during each production cycle.
- 10) **Ready for dispatch-** The QC-OK (Quality Check) glasses are ready for dispatch and stored the same in finished stock warehouse.
- 11) **Arrange Transport for delivery of order-** As per terms of delivery either company or the buyer will arrange the transport vehicle for site and accordingly the glasses will pack and load into the vehicles.
- 12) **Invoicing of Loaded material-** The Loaded vehicle will go through an Inspection by dedicated division and then passes the packing slip into accounts division for invoicing and gate pass.
- 13) **Environment:** Use of recycled cullet, installation of pollution abatement systems and closed-circuit management of water: every measure is taken to limit the consumption of energy, extraction of natural resources, production of waste and emissions into the atmosphere.

### Process flow for manufacturing the Toughened Glass

- **Toughened glass** is about to 6 times stronger than normal float glass. Moreover, the process of tempering does not affect any other property of the glass. Hence, with the same visible light transmission as normal float glass comes simply greater strength.
- **Toughened glass** is able to withstand massive differences in temperature (of 0.. up to 250°C i.e. 250 degrees Celsius) whereas normal float glass can handle only up to 40°C i.e. 40 degrees Celsius.
- Tempering of glass renders it difficult to break and even when it does due to whatsoever reasons, it will fall apart into very small, blunt, cube-like pieces that do not cause fatal injuries.
- **Toughened glass** is highly resistant to electric and thermal shock.
- Its high durability makes frequent replacement redundant. Hence, the glass can easily be used for a long time.





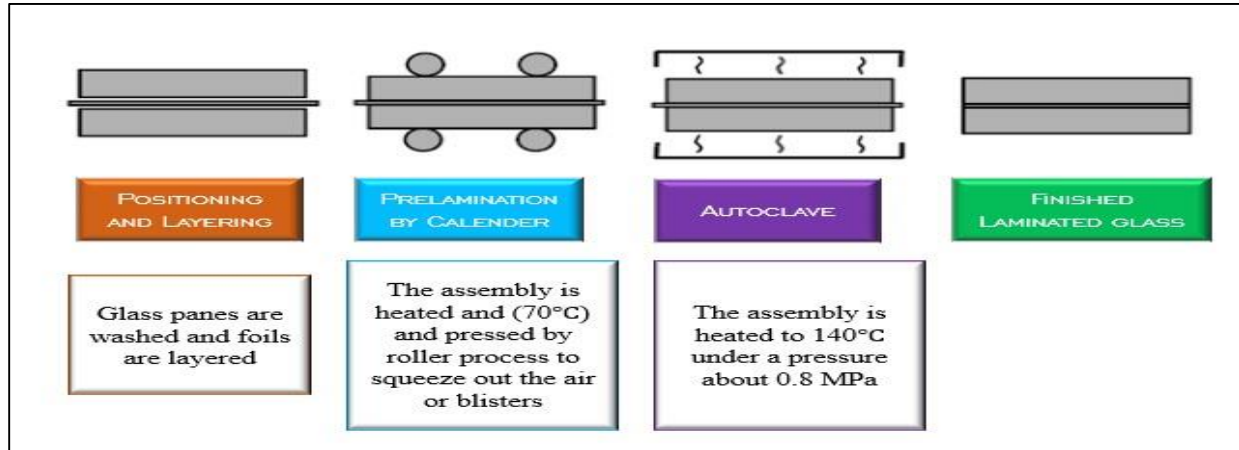
### Process flow for Laminated Glass

Laminated glass is a type of safety glass that holds together when shattered. In the event of breaking, it is held in place by an interlayer, typically of polyvinyl butyral (PVB), ethylene-vinyl acetate (EVA), or Thermoplastic Polyurethane (TPU), between its two or more layers of glass. The interlayer keeps the layers of glass bonded even when broken, and its high strength prevents the glass from breaking up into large sharp pieces. This produces a characteristic "spider web" cracking pattern when the impact is not enough to completely pierce the glass. In the case of the ethylene-vinyl acetate (EVA), the thermoset ethylene-vinyl acetate (EVA), offers a complete bonding (cross-linking) with the material whether it is glass, polycarbonate (PET), or other types of products. TPU (Thermoplastic polyurethane) is the best choice for Bullet-Resistant Glass (BRG) and for so called E-Glass (Smart Glass).

Laminated glass is normally used when there is a possibility of human impact or where the glass could fall if shattered and also for architectural applications. Skylight glazing and automobile windshields typically use laminated glass. In geographical areas requiring hurricane-resistant construction, laminated glass is often used in exterior storefronts, curtain walls and windows.

Laminated glass is also used to increase the sound insulation rating of a window, where it significantly improves sound attenuation compared to monolithic glass panes of the same thickness. For this purpose, a special "acoustic PVB (polyvinyl butyral)" compound is used for the interlayer. In the case of the EVA (ethylene-vinyl acetate) material, no additional acoustic material is required, since the ethylene-vinyl acetate (EVA) provides sound insulation.. TPU (Thermoplastic polyurethane) is an elastic material, so sound absorption is intrinsic to its nature. An additional property of laminated glass for windows is that an adequate TPU Thermoplastic polyurethane (TPU), polycarbonate (PVB) or ethylene-vinyl acetate (EVA) interlayer can block essentially most ultraviolet radiation. A thermoset ethylene-vinyl acetate (EVA) could block up to 99.9% of all Ultraviolet (UV) rays.

1. Using two or more pieces of glass bonded between one or more pieces of adhesives; such as polyvinyl butyral (PVB) or ethylene-vinyl acetate (EVA), using heat and pressure.
2. Using two or more pieces of glass and polycarbonate, bonded together with Thermoplastic polyurethane or aliphatic polyurethane (TPU), or ethylene-vinyl acetate (EVA), interlayer under heat and pressure.
3. Interlaid with a cured resin or ethylene-vinyl acetate (EVA).



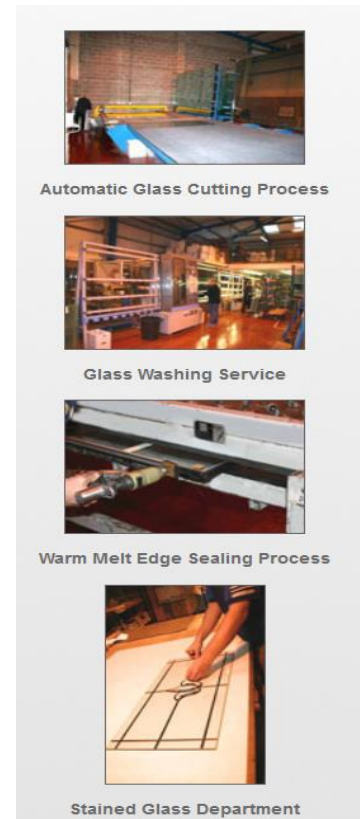
#### Process flow for Insulated/ Double Glazing Glasses DGU's

1. Each piece of glass is cut to size on our automatic cutting table. If the glass requires diamond, rectangle of colored leading it is done at this stage.
2. An individual spacer bar is cut to the size of unit, allowing a 23mm (millimeter) overall reduction for the correct sealant depth. If the unit requires Georgian bars it is done at this stage. The hollow spacer bar is then filled with desiccant to absorb any moisture from the air inside the unit.
3. The glass is then put through our washing machine, which washes the glass with hot water then dries the glass using hot air blowers. At this stage the glass is visually inspected for imperfections.
4. The glass is assembled into a unit using the pre-cut spacer bar. The assembled unit is now transferred to the edge sealing section.
5. The edges of the unit are sealed with a warm edge sealant, creating a hermetically sealed double-glazed unit.

Once the glass has been cut and edge worked, the sheets are first washed and dried to remove all dirty particles. Two sheets are separated by an aluminum spacebar or thermally insulating material. They are then sealed around the perimeter using organic seals, and the spacer bar is filled with desiccant to dry the air in the cavity. A secondary seal is then applied to hermetically seal the double-glazed unit.

A DGU (Double Glazed Unit) consists of the following: -

- 2 Pieces of Glass
- Spacer Bar filled with desiccant
- Sealed with either Polysulphide or Silicon





□ **Spacer Bar**- The spacer bar creates a gap between the 2 pieces of glass to help with insulation. the spacer bar is typically made of aluminum but can be made of other materials that do not conduct heat/cold as much as aluminum. However, these different materials will offer be more expensive.

□ **Spacer Bar Desiccant**- Once the spacer is bent the hollow center is filled with small desiccant beads. This desiccant is used to take away any moisture that may be present inside the sealed DGU.

□ **Primary Seal**- The primary seal is heated butyl that is applied to the outside of the spacer bar and is used to attach the spacer bar to both pieces of glass. This seal will stop moisture entering the unit and will stop gasses such as Argon or Krypton leaving the space in the DGU.

□ **Secondary Seal**- The secondary seal is the area between the spacer bar and the edges of the glass. In most cases this is filled with polysulphide but on exposed edges, especially with UV exposure, silicon is typically used. This secondary seal gives added protection to the primary seal and gives a nice aesthetic look to the unit.

### Use of Double Glazing Glasses DGU's

Double Glazing offers a number of advantages compared to Single Glazed Glass. Double Glazing is a great insulator due to the Air/Argon gap in between the 2 pieces of glass. In Summer your single glazed glass gets hot on the outside and radiates the heat to the inside of your house. During the Winter the opposite can happen, the heat from inside your house is drawn through the glass and radiates to the outside world. With a space in between this is greatly reduced. Air does not conduct heat as well as glass but argon is even better and conducts less heat than air. So a DGU with argon is the best choice to stop this heat transfer, if you then add a spacer bar that doesn't conduct heat, you have the perfect solution.

Also, with a DGU you can add a Low E (emissivity) glass to the unit, this will then reflect away a lot of the solar heat coming from the sun. This solar heat bounces off of the glass and goes back into the atmosphere. But you can have many different Low E coatings on the glass which can change the performance. More often than not, the higher the performance the more expensive the glass.

By just adding the airgap into the unit you can start to reduce noise transmission. A larger gap gives an improved performance but then you can add a special laminated glass, with a noise reducing interlayer, to further reduce noise transmission.

Finally, just by adding the 2 panes of glass to the DGU, you make the opening more secure and more difficult to break and enter. With the additional of a laminated glass with an interlayer to one of the pieces, further improves the security of the unit. Double Glazed Units are a great addition to any home or office. They have many benefits and can be made to improve your particular circumstances.

### Some of our Projects Executed where our products have been used

| Clients                               | Project and/ or Product Details | Project Start date | Project Completed date |
|---------------------------------------|---------------------------------|--------------------|------------------------|
| Anand Constructions/Radha Swami Infra | RHB Coaching Hub                | 27.08.2022         | 16.03.2023             |
| Design Kraft Solutions                | South Asian University          | 10.12.2018         | 18.01.2020             |
| Design Kraft Solutions                | ITBPO New Delhi                 | 05.12.2020         | 28.10.2022             |
| Dhabriya Polywood Limited             | Manipal University              | 01.08.2023         | 31.10.2023             |
| Fabron/Jangid Engineering             | IIT Jodhpur                     | 02.06.2022         | 14.12.2022             |
| Height Consultants                    | IAS Academy -Lucknow            | 08.09.2020         | 04.06.2021             |
| Jangid Engineering                    | Karkarduma Court                | 16.03.2021         | 04.06.2021             |
| Jangid Engineering                    | Tees Hajari Court               | 18.02.2022         | 11.04.2022             |
| Jangid Engineering                    | Saket Court                     | 13.08.2021         | 01.12.2021             |
| Jatan Constructions Private Ltd       | Pachpadra Refinery              | 22.10.2021         | 09.11.2023             |
| Khandelwal Hardware                   | RUHS                            | 24.03.2018         | 18.12.2019             |
| Khandelwal Hardware                   | Rajasthan Convention Centre     | 01.05.2020         | 31.12.2022             |

| Clients                              | Project and/ or Product Details | Project Start date | Project Completed date |
|--------------------------------------|---------------------------------|--------------------|------------------------|
| Pioneer Inc.                         | JECC Exhibition Centre          | 05.04.2022         | 10.03.2023             |
| Rajasthan Hospital                   | Rajasthan Hospital              | 01.04.2017         | 29.12.2018             |
| Ramacivil India Construction Pvt Ltd | Lady Harding Hospital           | 07.08.2019         | 23.02.2022             |
| Ramacivil India Construction Pvt Ltd | AIIMS Hospital                  | 17.06.2019         | 11.11.2021             |
| Ramacivil India Construction Pvt Ltd | Goa Medical College             | 20.07.2019         | 18.08.2020             |
| Rishabh Construction                 | Power Grid Corporation          | 06.05.2017         | 02.09.2019             |
| Simplex Infrastructure Limited       | NTPC                            | 26.08.2017         | 19.02.2019             |
| The Rishabh Wipro                    | Godrej Properties               | 22.07.2022         | 4.11.2023              |
| Veetro Façade                        | Devi Ratna Hotel                | 30.05.2022         | 24.09.2023             |
| Veetro Façade                        | 7 Apple                         | 22.09.2022         | 10.03.2023             |

### Our Projects under Execution

| Clients                             | Project and/ or Product Details       | Total Order Value (Rs. In Lakhs) | Project Start Year | Estimated Project Completion Year |
|-------------------------------------|---------------------------------------|----------------------------------|--------------------|-----------------------------------|
| Design Kraft Solutions              | Toughened, DGU Glass, Laminated glass | 91.22                            | December, 2023     | July, 2024                        |
| Dhabriya Polywood Limited           | Toughened, DGU Glass, Laminated glass | 469.00                           | December, 2023     | December, 2024                    |
| Jatan Constructions Private Limited | Toughened, DGU Glass, Laminated glass | 184.00                           | December, 2023     | September, 2024                   |
| Khandelwal Hardware                 | Toughened, DGU Glass, Laminated glass | 34.00                            | December, 2023     | June, 2024                        |
| Aptus Window                        | Toughened, DGU Glass, Laminated glass | 55.34                            | December, 2023     | March, 2024                       |
| Gulshan Rai Jain                    | Toughened, DGU Glass, Laminated glass | 110.90                           | December, 2023     | November, 2024                    |
| Alcoi Solution                      | Toughened, DGU Glass, Laminated glass | 30.10                            | December, 2023     | June, 2024                        |
| Rishabh Winpro                      | Toughened, DGU Glass, Laminated glass | 283.67                           | December, 2023     | December, 2024                    |
| Window Magic                        | Toughened, DGU Glass, Laminated glass | 383.67                           | December, 2023     | December, 2024                    |
| Agarwal Emporium                    | Toughened, DGU Glass, Laminated glass | 372.96                           | January, 2024      | December, 2024                    |
| Asahi Façade                        | Toughened, DGU Glass, Laminated glass | 52.00                            | January, 2024      | June, 2024                        |
| Targate Marketing                   | Toughened, DGU Glass, Laminated glass | 55.35                            | January, 2024      | June, 2024                        |
| Glass And Facade Solution           | Toughened, DGU Glass, Laminated glass | 48.24                            | January, 2024      | June, 2024                        |

| Clients                      | Project and/ or Product Details       | Total Order Value (Rs. In Lakhs) | Project Start Year | Estimated Project Completion Year |
|------------------------------|---------------------------------------|----------------------------------|--------------------|-----------------------------------|
| Saint Gobain                 | Toughened, DGU Glass, Laminated glass | 53.28                            | January, 2024      | June, 2024                        |
| Alfen System Private Limited | Toughened, DGU Glass, Laminated glass | 56.50                            | January, 2024      | November, 2024                    |
| Elite Window Factory         | Toughened, DGU Glass, Laminated glass | 78.00                            | January, 2024      | November, 2024                    |
| Four Corner Window           | Toughened, DGU Glass, Laminated glass | 51.60                            | January, 2024      | November, 2024                    |
| International Glazing        | Toughened, DGU Glass, Laminated glass | 88.00                            | January, 2024      | November, 2024                    |
| <b>Total</b>                 |                                       | <b>2497.83</b>                   |                    |                                   |

### Manufacturing Infrastructure

As on the date of filing this Draft Prospectus, our company has only two operational factory units located at Rajasthan, India. These factory units are operated by us and are ISO 9001:2015 certified. Our factory units are well equipped with modern and fully automated plant & machinery. Within our factory unit 1, float glass is simply converted into architectural glass and toughened glass and within our factory unit 2, architectural glass and toughened glass is then converted to a laminated glass. Further, all our raw materials and finished goods are stored within our own factory units. For details on our factory units, please refer to “Immovable Properties” on page no. 120 of the Draft Prospectus.

Our products are a unique combination of quality and elegance that has led to the rapid growth and progress of our company. Our company has installed a specific software named “SPY Soft ERP” wherein the specific design, parameter, dimension, cutting in specific size, polishing etc., is being feed in the software as per the client’s need and upon running the said software, our high-tech, modern and fully automatic plant and machinery manufacture and produce the required output. Our company’s R & D team always carries out various research on chalking out the various parameters such as dimensions and tolerances test, roller wave distortion, vertical tong hung process, Edge deformation, Tolerances on hole diameters etc. which will assist us manufacturing the sais glass and which will lead to the ultimate client satisfaction.

### The graphic for Factory Unit 1







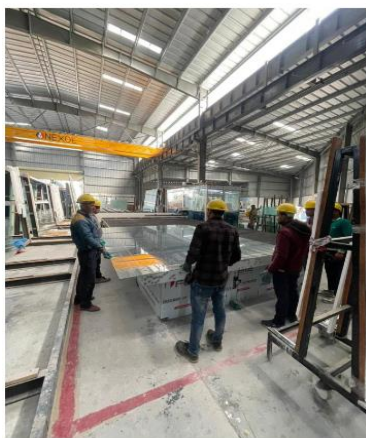
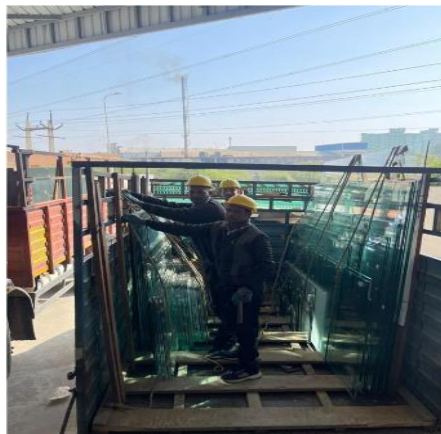


**The graphic for Factory Unit 2**








RAW MATERIAL





## Plant & Machinery

### Plant & Machinery at Factory UNIT – I:

|   |   |
|---|---|
| <b>Cutting Line: LISEC Austria - Max.Size: 3700mm x 2600mm</b>                      |   |
|    | <p>CNC Glass Cutting Line (LISEC) relates to fully mechanized glass loading system for achieving the most accurate (0.2mm Accuracy) and fastest cutting speed of 150 Sq. per Meter per hour which is the best in the industries.</p> <p>Auto aligning and auto shape reader is means for the fastest production for even or at complex shaped orders.</p> <p>Edge deletion system (patented) –Cylindrical Diamond Grinding Attachment for the soft coated glass sheets is unique and works in same cutting cycle which is again available only in Lise Machine for making IGU is unique.</p>  |
| <b>Automatic Glass Loader : HUMAM China - Max.Size :- 3700mm x 2600mm</b>           |   |
|   | <p>HUMAM China's Automatic Glass Loader is a state-of-the-art solution that provides efficient and reliable loading of glass sheets into the production line. With its advanced technology and precision, this glass loader ensures the safe and accurate handling of glass sheets, minimizing the risk of damage and improving productivity. The Automatic Glass Loader is designed to work seamlessly with various types of glass, and it can handle different sizes and thicknesses of glass sheets. At HUMAM China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Automatic Glass Loader is a testament to our commitment to excellence and customer satisfaction.</p> |
| <b>Automatic Drill Machine : LIFENG China - Size :- Max Dia 200mm, Min. Dia 6mm</b> |   |
|  | <p>LIFENG China's Automatic Drill Machine is a highly advanced and reliable solution that provides accurate and efficient drilling of glass sheets. With its cutting-edge technology, this drill machine can handle different sizes and thicknesses of glass sheets with precision and speed, minimizing production time and maximizing productivity. The Automatic Drill Machine is designed to operate smoothly and efficiently, providing consistent and high-quality results every time. At LIFENG China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Drill Machine is a testament to our commitment to excellence and customer satisfaction.</p>           |
| <b>Single Edger : LIFENG China</b>  |   |

|  |  |
|--|--|
|               | <p>LIFENG China's Single Edger is a cutting-edge glass processing solution that provides precision edging of glass sheets. With its advanced technology and design, this machine is capable of handling glass sheets of varying thicknesses, providing consistent and high-quality edging results. The Single Edger is designed to operate efficiently, minimizing production time and increasing productivity. The machine is user-friendly, easy to operate, and requires minimal maintenance, making it an ideal solution for glass processing companies of all sizes. At LIFENG China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Single Edger is a testament to our commitment to excellence and customer satisfaction.</p>           |
| <p><b>Double Edger : HISENG China - Size : Max 4200 mm x 2440 mm - Min. 420 mm x 420mm</b></p> |  |
|               | <p>Hiseng China's Automatic Grinding Machine is a highly advanced and reliable solution that provides accurate, efficient and elegant quality of glass sheets. Its PLC control system to set the parameters through the monitor interface to complete the processing at one time. The stable and solid base structure contribute to precise and fast with adjustment system. The polishing spindles can be selected pneumatic polishing or automatic feeding polish which improving the polishing quality and reduce the labor intensity of workers. At HISENG China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Polishing Machine is a testament to our commitment to excellence and customer satisfaction.</p>                  |
| <p><b>Hi-tec Washing Machine : LIFENG China - Size : 4270 mm x 244 mm</b></p>                  |  |
|              | <p>LIFENG China's Hi-tec Washing Machine is an advanced solution for cleaning and washing glass sheets. With its cutting-edge technology and design, this machine provides a thorough and efficient cleaning process, removing dirt, grime, and other contaminants from the glass surface. The Hi-tec Washing Machine is designed to work seamlessly with different types of glass, including tempered, laminated, and coated glass. The machine's user-friendly interface and automated features ensure that the washing process is consistent, efficient, and reliable. At LIFENG China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Hi-tec Washing Machine is a testament to our commitment to excellence and customer satisfaction.</p> |
| <p><b>Horizontal Tempering Line (LANDGLASS) - Size : 2440mm x 4270mm</b></p>                   |  |
|             | <p>State of Art Horizontal Tempering Line (LANDGLASS) is loaded with full Convection furnace offering wide range of high performance glass (ST, ET, KT &amp; SKN Series of SAINT GOBAIN) and other equivalent glasses producers like AIS and GUARDIAN. We use most energy efficient tempering technologies (30 Kw Blower for 10 to 19mm full tempered glass) with fully Automatic CNC controlled interface.</p>  |
| <p><b>DGDS Insulating Glass Units (IGU) Line (WEILI)</b></p>                                   |  |





State of Art DGDS Insulating Glass Units (IGU) Line (WEILI) is fully Automatic CNC controlled interface panels line for specially designed for more complexes and latest glazing panels up to 70 mm width. Our innovative IGU line capable to produced Double, Triple and Step glazing panels for complexes shapes and sizes. We have Latest Bendable Spacer Technology to eliminate the Corner Keys which is an obstacle for long and dependable performance of DGDS panels. We do not use keys as the Spacers and Bended at joints in shapes and sizes and only one straight key is use. Automatic Desiccant Machine fills the Molecular Sieve (below 1mm Diameter) desired and accurate quantity to guarantee the panel performance and its life. The Line is placed in Basement and within a sealed air-conditioned enclosure to maintained the temperature and Humidity level for trapped air for best results even the inherent Gasses like Organ not used.

#### Plant & Machinery at Factory UNIT – II:

##### **CUTTING LINE: BISSE INTERMAC - MAX SIZE : 3000MM X 6000 MM**



Genius CT-NEXT is the range of 3-axis cutting tables for making straight and shaped cuts on sheets of float glass. They combine perfectly with loading systems and can be interfaced with shearing benches. It is an Intermac-patented technology that allows three different type of cut (straight, curved, open curve) to be made on a single sheet, using the most appropriate tool each time. This greatly improves the quality of the end result.

##### **AUTOMATIC GLASS LOADER: HUMAM CHINA - MAX SIZE: 3000MM X 6000MM**



HUMAM China's Automatic Glass Loader is a state-of-the-art solution that provides efficient and reliable loading of glass sheets into the production line. With its advanced technology and precision, this glass loader ensures the safe and accurate handling of glass sheets, minimizing the risk of damage and improving productivity. The Automatic Glass Loader is designed to work seamlessly with various types of glass, and it can handle different sizes and thicknesses of glass sheets. At HUMAM China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Automatic Glass Loader is a testament to our commitment to excellence and customer satisfaction

**Automatic Drill Machine : Xianya Glass Machinery China - Size :- Max Dia 200mm, Min. Dia 6mm**



XGM China's Automatic Drill Machine is a highly advanced and reliable solution that provides accurate and efficient drilling of glass sheets. With its cutting-edge technology, this drill machine can handle different sizes and thicknesses of glass sheets with precision and speed, minimizing production time and maximizing productivity. The Automatic Drill Machine is designed to operate smoothly and efficiently, providing consistent and high-quality results every time. At XGM China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Drill Machine is a testament to our commitment to excellence and customer satisfaction.



**Single Edger: LIFENG China**



|   |  |
|---|--|
|                                        | <p>LIFENG China's Single Edger is a cutting-edge glass processing solution that provides precision edging of glass sheets. With its advanced technology and design, this machine is capable of handling glass sheets of varying thicknesses, providing consistent and high-quality edging results. The Single Edger is designed to operate efficiently, minimizing production time and increasing productivity. The machine is user-friendly, easy to operate, and requires minimal maintenance, making it an ideal solution for glass processing companies of all sizes. At LIFENG China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Single Edger is a testament to our commitment to excellence and customer satisfaction.</p>     |
| <p><b>DOUBLE EDGER: GOLIVE CHINA - Size : Max 6000 mm x 3000 mm - Min. 420 mm x 420mm</b></p>                           |  |
|                                        | <p>GOLIVE China's Automatic Grinding Machine is a highly advanced and reliable solution that provides accurate, efficient and elegant quality of glass sheets. Its PLC control system to set the parameters through the monitor interface to complete the processing at one time. The stable and solid base structure contribute to precise and fast with adjustment system. The polishing spindles can be selected pneumatic polishing or automatic feeding polish which improving the polishing quality and reduce the labor intensity of workers. At GOLIVE China, we are committed to delivering innovative solutions that meet the diverse needs of our customers, and our Automatic Polishing Machine is a testament to our commitment to excellence and customer satisfaction.</p>            |
| <p><b>HI-TEC WASHING MACHINE: SGM CHINA - Size: 6000 mm x 3000 mm</b></p>   |  |
|                                       | <p>SGM China's Hi-tec Washing Machine is an advanced solution for cleaning and washing glass sheets. With its cutting-edge technology and design, this machine provides a thorough and efficient cleaning process, removing dirt, grime, and other contaminants from the glass surface. The Hi-tec Washing Machine is designed to work seamlessly with different types of glass, including tempered, laminated, and coated glass. The machine's user-friendly interface and automated features ensure that the washing process is consistent, efficient, and reliable. At SGM China, we are committed to delivering innovative solutions that meet the evolving needs of our customers, and our Hi-tec Washing Machine is a testament to our commitment to excellence and customer satisfaction.</p> |
| <p><b>Horizontal tempering line (Mountain) - MAX SIZE: 3000mm x6000mm</b></p>   |  |
|                                      | <p>State of Art Horizontal Tempering Line (Mountain) is loaded with full Convection furnace offering wide range of high performance glass (ST, ET, KT &amp; SKN Series of SAINT GOBAIN) and other equivalent glasses producers like AIS and GUARDIAN. We use most energy efficient tempering technologies with fully Automatic CNC controlled interface.</p>   |
| <p><b>LAMINATE SAFETY GLASS: HANGDONG - MINIMUM GLASS SIZE: 250MM X 550MM - MAXIMUM GLASS SIZE: 3000MM X 6000MM</b></p> |  |



## CAPACITY AND CAPACITY UTILIZATION

The following table set forth the installed capacity of **our manufacturing unit 1:**

| Particulars                           | As on Sept.<br>30, 2023 | As at       |             |             |
|---------------------------------------|-------------------------|-------------|-------------|-------------|
|                                       |                         | 31-Mar-2023 | 31-Mar-2022 | 31-Mar-2021 |
| Installed Capacity (in <b>MTPA</b> )* | 702000                  | 702000      | 702000      | 702000      |
| Capacity Utilized (in <b>MTPA</b> )*  | 322347.60               | 311222.05   | 309513.47   | 288172.13   |
| Utilized Capacity (in %)              | 45.92                   | 44.33       | 44.09       | 41.05       |

The following table set forth the installed capacity of our **manufacturing unit 2:**

| Particulars                           | As on Sept.<br>30, 2023 | As at       |             |             |
|---------------------------------------|-------------------------|-------------|-------------|-------------|
|                                       |                         | 31-Mar-2023 | 31-Mar-2022 | 31-Mar-2021 |
| Installed Capacity (in <b>MTPA</b> )* | 1230000*                | 150000      | 150000      | -           |
| Capacity Utilized (in <b>MTPA</b> )*  | 57439.85                | 39514.80    | 22349.80    | -           |
| Utilized Capacity (in %)              | 4.67                    | 26.34       | 14.90       | -           |

*\*Company has increased its installed capacity during the year by 10.80 Lacs square meter per annum installed in Unit-2 and it commence its operation in October 2023.*

## Quality Control

We place emphasis on quality control. We inspect the raw materials we receive, work-in-progress and final products. We have implemented internal procedures to ensure quality control at various stages of production, from procurement of raw material, production to inventory storage. Our manufacturing unit has one dedicated personnel who are responsible for monitoring the parameters of equipment, technical parameters of materials, reporting any irregularities in the raw material and manufacturing process and making adjustments accordingly.

**Our Company has following Test Equipment's as approved by ISI/ BSI Mark**

| Sr. No. | Test Equipments      | Pertains To Test                                |
|---------|----------------------|---|
| 1       | A visual Large Board | For a Test of Distribution of allowable defects |

| Sr. No. | Test Equipments                                    | Pertains To Test   |
|---------|--|--|
| 2       | Vernier Calipers, Micrometer and measuring Tape    | For verification of Thickness, Dimensions, squareness, and edge displacement |
| 3       | Hammer, Spring Loaded punch, 50mm2 Template Marker | Fragmentation Test (6.1 of IS 17004)   |
| 4       | Dual roller wave Gauge, Zebra Board                | Flatness   |
| 5       | Glass Frame and Bow                                | Resistance to Shock, Resistance to Human impact                              |
|         | Polished Edge6                                     | Edge working of Glass for Toughening   |

### **Sales and Marketing Strategies**

Our business is broadly business-to-business oriented and is dependent on long-term relationships with our customers. We marginally sell our products directly to customer. We provide a full range of services to help, find, qualify, close and retain lucrative customer relationships. Our well qualified sales and marketing team is responsible for strengthening our existing marketing network and for awareness of our products. Our sales teams and key account managers are responsible for growing our relationships with key customers and developing strategies to ensure that we are engaging in projects and selling the right products in line with the market trends and our business strategy. Our marketing services are designed with the objective of enhancing brand image and spreading the reach of our services.

### **Competition**

The industry in which we operate is highly competitive and highly fragmented in Indian markets. We face competition from various domestic and international players. The key factors in our strategy to counter the stiff competition which includes client relationships, reputation, the abilities of employees, market coverage, quality, cost, delivery, technical capability etc... A value addition to the end of the supply chain is our USP. The organized players such as Saint-Gobain, Borosil Ltd. Asahi India Glass Ltd, Sejal Glass Ltd, Triveni Glass Ltd etc. in the industry compete by providing high quality, consistent and time bound products and value-added services. However, we have 6 years of experience in this segment which not only provides us with an ability to compete effectively but also helps us to maintain and further enhance our position in the industry where we ensure selling of high-quality

### **Environment, Health and Safety**

We are also subject to laws and government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981, the Water (Prevention and Control of Pollution) Act, 1974 and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant states. These environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other such aspects of our manufacturing.

We aim to comply with the applicable health and safety regulations and other requirements in our operations and have adopted an environmental, health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facilities or under our management. Periodic assessment of working conditions of our employees is carried out to ensure a safe working environment at our manufacturing unit. We consistently and continue to ensure compliance with applicable environment, health, safety regulations and other requirements in our operations. Our manufacturing unit is ISO 9001-2015 certificated, for quality management system and food safety management system respectively.

### **Information Technology**

We believe that Information Technology is a powerful tool in operating our business and have accordingly invested in creating a strong IT system, network, and processes. We have in place various off-the-shelf IT systems relating in particular to communication. Recently, we have switched over to the Tally Prime platform for the smooth functioning of our business. Modules like materials management, sales order processing, store balance, section-wise production, post sales complaints handling, accounts, finance, etc. are part of the Tally Prime system.

## INFRASTRUCTURE & UTILITIES

### *Infrastructure*

Our manufacturing unit cum registered office is well equipped with computer systems, internet connectivity, other communication equipment and security, etc. which are required for our business operations. For details, please refer to heading “**Our Manufacturing Infrastructure**” on page no. 108 of the Draft Prospectus.

### *Power*

Our company have adequate power supply arrangements for regular uninterrupted power supply at our processing unit. We have availed a power connection from JVVNL (Jaipur Vidyut Vitran Nigam Limited) for our manufacturing unit's premises with a sanctioned load of 850 KVA (Unit-1) & 1500 KVA (Unit-2), which is sufficient to meet our plant requirement. In case of power failure, we have a power backup facility in our premises.

### *Water*

Water is mainly required for cooling the products in production process, fire safety, drinking and sanitation purpose. We meet our water requirements by bore wells at our processing units.

### *Raw Material*

Our business requires float glass as a raw material to carry on the processing activities which are procured by import as well as from the domestic market.

### **Collaborations/ Tie – Ups/ Joint Ventures**

As on date of the Draft Prospectus, our Company does not have any Collaborations/Tie-ups/Joint Ventures.

### **Import - Export Obligation**

As on the date of filing the Draft Prospectus, we do not have any outstanding import-export obligations.

### **Insurance**

Our Company has taken insurance policy related to our registered office cum manufacturing unit. Following are the details of the same:

| Insurance Company                     | Policy Number                 | Policy Tenure |            | Property Insured                                  | Sum Assured |
|---------------------------------------|-------------------------------|---------------|------------|---|-------------|
|                                       |                               | Start         | End        |   |             |
| Kotak Mahindra Insurance Company Ltd. | 3579142100                    | 02.08.2023    | 01.08.2024 | Plant & Machinery                                 | 550.00      |
| Reliance General Insurance            | 130562321260024322            | 26.05.2023    | 25.05.2024 | Building, Furniture, Finished Stocks and Burglary | 2,120.00    |
| Reliance General Insurance            | 130522329110000719            | 26.05.2023    | 25.05.2024 | Building including additional structure           | 1,920.00    |
| Shriram General Insurance Co Ltd.     | 106020/31/24/010163           | 07.09.2023    | 06.09.2024 | Vehicle   | 2.55        |
| Liberty General Insurance Limited     | 2011-400501-23-1000375-01-000 | 01.09.2023    | 31.08.2024 | Vehicle   | 5.84        |
| The New India Assurance Company Ltd.  | 11300031222002099162          | 29.07.2023    | 28.07.2024 | Vehicle   | 8.97        |

| Insurance Company                        | Policy Number            | Policy Tenure |            | Property Insured | Sum Assured |
|--|--------------------------|---------------|------------|------------------|-------------|
|  |                          | Start         | End        |                  |             |
| The New India Assurance Company Ltd.     | 33170031230300001613     | 09.05.2023    | 08.05.2024 | Vehicle          | 17.00       |
| HDFC Ergo General Insurance Co. Ltd.     | 232520529056340000       | 13.03.2023    | 12.03.2024 | Vehicle          | 5.00        |
| National Insurance Company Ltd           | 376032312210002088       | 17.01.2023    | 16.01.2024 | Vehicle          | 20.00       |
| Bajaj Allianz General Insurance Co. Ltd. | OG-24-1104-1801-00010162 | 12.09.2023    | 11.09.2024 | Vehicle          | 15.10       |

## Human Resources

We believe that our employees are key contributors to our business success. As on September 30, 2023, we have 192 employees including our directors, who look after our business operations, administrative, secretarial, marketing and accounting functions in accordance with their respective designated goals. Following is a department wise employee break-up:

| Department                                 | Number of Employees |
|--|---------------------|
| Management Promoters & Executive Directors | 9                   |
| Heads of Department/ Senior Management     | 18                  |
| Finance & Accounts                         | 8                   |
| Sales & Marketing                          | 24                  |
| Human Resources                            | 2                   |
| Admin & Information and Technology         | 4                   |
| Office Staff & Others                      | 127                 |
| <b>Total</b>                               | <b>192</b>          |

As on date of filing this Draft Prospectus, we do not have any contract labors.

## Our Properties

The detail of our property is as follows:

| Agreement Date; Lease Period               | Name of the Lessor/ Vendor   | Leased/ Owned | Location of the Property  | Lease Fee/ Purchase Cost (in Rs.) | Purpose                                      |
|--|--|---------------|---|-----------------------------------|--|
| 27-06-2010; for 99 years w.e.f. 27-06-2010 | Rajasthan State Industrial Development & Investment Corporation Limited, Jaipur – 302005, Rajasthan, India | Leased        | F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India | 20,870 p.a.                       | Used as Registered office & Factory Unit – 1 |
| 27-10-2017; for 99 years                   | Rajasthan State Industrial Development & Investment Corporation Limited, Jaipur – 302005, Rajasthan, India | Leased        | F-2236, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India | 37,800 p.a.                       | Used as Factory Unit - 2                     |
| 30-09-2020; for 99 years                   | Smt. Babita Vasudev Agarwal  | Owned         | Plot No. S-9A, Shree Gopal Nagar – S,   | Not Applicable                    | Used for Agarwal Food &                      |

| <b>Agreement Date;<br/>Lease Period</b> | <b>Name of the Lessor/<br/>Vendor</b> | <b>Leased/<br/>Owned</b> | <b>Location of the<br/>Property</b>                      | <b>Lease Fee/<br/>Purchase Cost<br/>(in Rs.)</b> | <b>Purpose</b> |
|---|---------------------------------------|--------------------------|--|--|----------------|
| w.e.f. 30-09-2020                       |                                       |                          | Gopalpura Bypass,<br>Jaipur – 302019<br>Rajasthan, India |  | Beverages      |

### **Intellectual Property**

As on the date of this Draft Prospectus, Our Company has registered its logo or company's name with the Registrar of Trademarks and own such trademarks registered under the Trademarks Act. Further, the company does not have any other kind of Intellectual Property Rights and has confirmed that no other applications have been made by our Company nor has it registered any other type of intellectual property including trademarks/copyrights/patents etc. For details of our intellectual property, please refer to the chapter titled "Government and Other Statutory Approvals" beginning on page 215 of this Draft Prospectus.



## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant sector-specific laws, regulations and policies as prescribed by the Government of India, and other regulatory bodies that are applicable to our business. 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. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice.*

*The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and maintain applicable licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of government approvals and other approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page no. 215 of this Draft Prospectus.*

### **Bureau of Indian Standards Act, 2016 (“BIS Act”)**

The BIS Act provides for the establishment of the Bureau of Indian Standards (“BIS”) as a national standards body of India for the development of activities of standardisation, conformity assessment and quality certification of goods, articles, processes, systems, services and matters connected thereto. The BIS Act provides for the functions of the BIS which includes, among others, (a) to publish, establish, promote and review prescribed Indian standards in relation to any goods, article, process, system or service; (b) to adopt as Indian standard, any standard, established by any other institution in India or elsewhere, in relation to goods, articles, processes, systems or services; (c) to carry out functions necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stake holders; (d) undertake, support and promote research necessary for formulation of Indian standards; and (e) to recognise and accredit any institution in India or outside which is engaged in standardisation. The BIS Act empowers the Central Government to order compulsory use of standard mark for any goods or article if it finds it expedient to do so in public interest, national security, protection of human, animal or plant health, safety of environment or prevention of unfair trade practices. The license holders under BIS holders shall, at all times, remain responsible for conformance of goods, articles, processes, systems or services carrying the standard mark. The BIS Act also provides the penalties, which include imprisonment and/or fine in case there is a contravention of the provisions of the BIS Act.

### **The Legal Metrology Act, 2009 (“Legal Metrology Act”)**

The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number, and matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are (a) appointment of Government approved test centres for verification of weights and measures; (b) permitting the establishments to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act; (c) stringent punishment, such as power of inspection, seizure and forfeiture; and (d) prohibits manufacture, repair or sale of weight or measure without license.

### **The Explosives Act, 1884 (the “Explosives Act”) and the Explosives Rules, 2008 (the “Explosive Rules”)**

The Explosives Act regulates the manufacture, possession, use, sale, transport, import and export of explosives and empowers the Central Government to make rules for the regulation and prohibition of these activities in relation to explosives or any specified class of explosives which is of dangerous character considering public safety. Persons involved in these activities are required to obtain a license from the appropriate authority in terms of the provisions of the Explosives Act. In furtherance to the purpose of this Act, the Central Government has notified the Explosive Rules in order to regulate the manufacture, import, export, transport, handling, use and possession for sale or use of explosives.

### **The Indian Boilers Act, 1923 (“Boilers Act”) and the Indian Boiler Regulations, 1950 (“Boilers Regulations”)**

The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

The Boilers Act was amended by the Indian Boilers (Amendment) Act, 2007. Pursuant to the Amendment Act of 2007 (“2007 Amendment Act”), the Government shall appoint Technical Advisors and also prescribe the terms and conditions of their service. The 2007 Amendment Act also lays down the process of issuance of a welders certificate by the competent authority and also contains provisions for engaging an inspecting authority for the purposes of inspection and certification of boilers and boiler components during manufacture. Furthermore, the Boilers Regulations were made applicable to all Indian territory, except the Union Territory of Jammu & Kashmir through the Indian Boiler (Amendment) Regulations, 2020.

### **Consumer Protection Act, 2019**

The Consumer Protection Act reinforces the interest and rights of consumers by laying down a mechanism for speedy grievance redressal. Any person to whom goods were delivered/intended to be delivered or services were rendered/intended to be rendered, or a recognized consumer association, or numerous consumers having the same interest, or the Central/State Government may lodge a complaint before the district forum or any other appropriate forum under the Consumer Protection Act, inter alia, where:

- an unfair trade practice or a restrictive trade practice has been adopted by a service provider;
- the goods bought by him or agreed to be bought by him suffer from one or more defects;
- a trader or a service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint;
- the services availed or agreed to be availed suffer from any deficiency in any material aspect; and
- the provision of services which are hazardous or likely to be hazardous to life and safety of the public when used are offered by the service provider which such person could have known with due diligence to be injurious to life and safety; and
- claim for product liability action lies against the product manufacturer, product seller or product service provider, as the case may be.

The Consumer Protection Act, 2019 has been published in the e-gazette and will repeal the existing Consumer Protection Act, 1986 on such date as the Central Government may by notification appoint. The Consumer Protection Act, 2019 will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The Consumer Protection Act, 2019 will bring e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The Consumer Protection Act, 2019 will also provide for mediation cells for early settlement of the disputes between the parties.

### **Duty Drawback Scheme, 2020**

The duty drawback scheme is an option available to exporters. Under this scheme, an exporter of goods is entitled to a refund of the excise duty and integrated goods and services tax paid by him on the inputs used in the products exported by him. It neutralizes the duty impact on the goods exported by giving a relief on customs and central excise duties suffered on the inputs used in the manufacture of export product. The Customs and Central Excise Duties Drawback Rules, 2017, as amended have also been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities processing export documentation. Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme. The all industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture.

### **Environment Protection Act, 1986 (“Environment Act”)**

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The

Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. Contravention or failure to comply with the provisions of the Environment Act may attract penalties in the form of imprisonment or fine.

**The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe:**

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. Contravention or failure to comply with the provisions of the Environment Act may attract penalties in the form of imprisonment or fine.

The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe:

- (i) the standards of quality of air, water or soil for various areas;
- (ii) the maximum allowable limits of concentration of various environmental pollutants, including noise, for different areas;
- (iii) the procedures and safeguards for the handling of hazardous substances;
- (iv) the prohibition and restrictions on the handling of hazardous substances in different areas;
- (v) the prohibition and restriction on the location of industries and the carrying on process and operations in different areas; and
- (vi) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

**Environment (Protection) Rules, 1986 (“Environment Rules”)**

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or both or authorization under the Hazardous Wastes (Management and Handling) Rules, 1989 shall submit to the concerned Pollution Control Board (“PCB”) an environmental statement for that financial year in the prescribed form.

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

The Air Act requires any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, apply in a prescribed form and obtain consent from the PCB established at both central and state levels prior to commencing any activity. The PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed and operated. The control equipment shall be installed, altered or replaced in accordance with the license conditions issued by PCB. Within a period of four months after the receipt of the application for consent the PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent. Any contravention of or failure to comply with the provisions of the Air Act may attract penalties in form of imprisonment or fine.

**Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)**

The Water Act aims at prevention and control of water pollution as well as restoration of water quality through the establishment of a central PCB and state PCBs. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by

the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may close the mine or withdraw water supply to the industry or cause magistrates to pass injunctions to restrain such polluters.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016**

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, requires that every occupier of a facility who is engaged in handling of 'hazardous waste' and other wastes is required to obtain an authorization from State PCB. It places an obligation on the occupier to prevent, minimize, reuse, recycle, recover, generate, handle, collect, receive, treat, transport, store, pre-process, utilize including co-processing, and safe disposal of the waste. It also makes the occupier responsible for safe and environmentally sound management of hazardous and other wastes. It makes the occupier liable for damages caused to environment or third parties. It also prescribes financial penalties for violation of provisions of the rules.

### **Environment Impact Assessment Notification 2020 ("EIA 2020")**

The Ministry of Environment, Forest and Climate Change has issued Draft Environment Impact Assessment Notification 2020 ("EIA 2020") which proposes to replace the erstwhile Environment Impact Assessment Notification, 2006. The EIA 2020 inter alia contemplates two kinds of approvals, being (i) prior environment clearance with the approval of expert committees and (ii) environmental permission or provision without the approval of expert committees. Certain projects including clay and sand extraction, digging of well or foundations of buildings, solar thermal power plants and common effluent treatment plants have been exempted from such approvals.

### **Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002 ("Petroleum Rules")**

The Petroleum Act regulates the import, transport, production, refining, storage, blending of petroleum and other inflammable substances. Further, it empowers the Government to prescribe standards for pipelines, testing apparatus and storage receptacles for petroleum, and to inspect, make entry, search and certify grades of petroleum involved in a particular establishment.

The Petroleum Rules require every person importing, transferring, or storing petroleum of particular grades to do so only in accordance with a licence granted under the Petroleum Rules. Every person desiring to obtain a licence to import and store petroleum is required to submit to the licensing authority an application for registration in the prescribed format within the specified time limit. On application for renewal, a license may be renewed provided that a licence which has been granted by the Chief Controller may be renewed without alteration, by a Controller duly authorized by the Chief Controller.

### **The Static and Mobile Pressure Vessels (Unfired) Rules, 2016 (the "SMPV Rules")**

The SMPV Rules had been introduced for the purpose of regulating the manufacture, filling, delivery, import and repair to pressure vessels. Under the SMPV Rules, any person who desires to store or transport compressed gas needs to obtain a license for storage and transportation of such gas. The SMPV Rules further prescribe conditions under which the licenses can be granted, amended, renewed, suspended or cancelled.

### **UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020**

UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020 consolidate UERC (The Electricity Supply Code) Regulations, 2007, UERC (Release of new LT Connections, Enhancement and Reduction of Loads) Regulations, 2013, UERC (Release of new HT & EHT Connections, Enhancement, Reduction of Loads) Regulations, 2008 and amendments issued from time to time. With consolidation of the Regulations, the charges of LT connections have been revised along with work charges of HT/EHT connections. For the loads applied for construction purposes, the option of converting the temporary connection to permanent connection post completion of construction has also been incorporated for load up to 75 kilowatts.

### **EPCG Scheme**

The EPCG Scheme provides that importers can benefit from reduced duties on the import of capital goods provided

218 that they fulfil an export obligation to export a prescribed amount of their goods manufactured or services rendered (such amount being a multiple of the duty saved) within a specified period. Export obligations can be fulfilled by physical exports or by way of deemed exports as defined under EPCG Scheme.

### **MEI Scheme**

Pursuant to the Foreign Trade Policy (2015-2020), the MEI Scheme was introduced to provide rewards to exporters to offset infrastructure inefficiencies and associated costs in export of goods, especially those having high export intensity, employment potential and ability to enhance India's export competitiveness. Export of notified goods to notified markets are rewarded under the MEI Scheme. The basis for calculation of the reward under the MEI Scheme is on the FOB value of exports realized in free foreign exchange or on the FOB value of exports mentioned in the shipping bill, whichever is less, unless otherwise specified. With effect from June 1, 2015, the MEI Scheme mandatorily requires a declaration of intent to be endorsed on the shipping bills (except free shipping bills) to be eligible to claim any reward under the MEI Scheme.

### **FOREIGN INVESTMENT LAWS:**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy ("Consolidated FDI Policy") issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP") from time to time.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 ("SEBI FPI Regulations"), investments by Foreign Portfolio Investors ("FPIs") in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company's board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

### **Foreign Trade (Development and Regulation) Act, 1992**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and license to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade ("DGFT") for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offense or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports, then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

### **Foreign Exchange Management Act, 1999 and regulations there under**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a

declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEM Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. The RBI, in exercise of its power under FEMA, has notified the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 which deals with exports, the declaration to be filed, the realization of export value, etc. The RBI amended these Regulations by introducing the Foreign Exchange Management (Export of Goods and Services) (Amendment) Regulations, 2021 (the "Amendment Regulations") through a notification dated January 12th, 2021 to introduce certain exemptions related to the aviation sector through the Amendment Regulations. In exercise of the powers conferred by section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and consequent to the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, the Reserve Bank has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instrument) Regulations, 2019 ("Principal Regulations") relating to mode of payment and reporting requirements for investment in India by a person resident outside India. The RBI has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2020 whereby amendment has been made to Regulation 3.1 of the Principal Regulations which deals with the Mode of Payment and Remittance of sale proceeds in which Schedule II and Schedule VII was substituted. The RBI also notified the Foreign Exchange Management (Foreign currency accounts by a person resident in India) Regulations, 2015 to regulate opening and maintenance of foreign currency accounts in and outside India by a person resident in India. The RBI passed a notification dated February 27th, 2019 amending the regulations by passing the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2019 amending regulation applicable to authorized dealers.

## **The Foreign Direct Investment**

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade ("DPIIT") issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

## **STATUTORY LEGISLATIONS**

### **Shops and Commercial Establishments Act**

The Company has its registered office in New Delhi. Accordingly, the provisions of the Shops and Commercial Establishments Act of respective states are applicable to the Company. The provisions of the Act regulate the Conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”)**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **The Companies Act, 2013 (To the extent notified)**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide 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.

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

has been liberalized under the New Industrial policy dated July 24, 1991 and all industrial undertaking are exempted 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 small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“IEM”) with Secretariat for Industrial Assistance, Department of industrial Policy and Promotion

## **LAWS RELATING TO LABOUR AND EMPLOYMENT**

As part of the business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

### **The Minimum Wages Act, 1948**

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost-of-living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to six months or a fine of up to Rs. 500. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

### **Employees’ Compensation Act, 1923**

The Employee’s Compensation Act, 1923 (“ECA”) has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman

(including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **Payment of Wages Act, 1936**

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs. 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 ("PoB") Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

### **The Contract Labour (Regulation and Abolition) Act, 1970**

The purpose of Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment and protect the interests of the workers who are hired on the basis of individual contracts in certain establishments. In the event that any activity is outsourced, and is carried out by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund etc.

### **The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976**

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training, and promotion etc.

### **Child Labour (Prohibition and Regulation) Act, 1986**

This statute prohibits employment of children under 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

### **The Maternity Benefit Act, 1961("Maternity Act")**

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after childbirth and to provide for maternity benefit and certain other benefits.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at workplace and prevention of sexual harassment at workplace. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e., a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten)



employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW. Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

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

The Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979 was enacted by Parliament in the Thirtieth Year of the Republic of India to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. This Act makes provision for availing the onsite services of interstate workers by the contractors / establishments to overcome only the temporary shortage of required skilled workers in a state. The purpose of this act is not to encourage interstate migration of workers against the interests of local workers as the principal employers would have to incur more cost in deploying interstate workers.

## **Tax Laws**

### **The Income Tax Act, 1961**

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

### **The Central Goods and Services Tax Act, 2017 (the “GST Act”)**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. The GST Act is applicable from July 1, 2017, and will bound together the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Under GST, goods and services will be taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST will be levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India will adopt a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced

### **The Central Sales Tax Act, 1956**

The Central Sales Tax Act, 1956 enacted by Parliament in Seventh Year of Republic of India to formulate principles for determining when a sale or purchase of goods takes place in the course of inter-state trade of commerce or outside a State or in the course of imports into or export from India, to provide for the levy, collection and distribution of taxes on sales of goods in the course of interstate trade of commerce and to declare certain goods to be of special importance in inter-state or commerce and specify the restrictions and conditions to which state laws imposing taxes on the sale or purchase of such goods of special importance.

### **Finance Act, 1994 (Service Tax)**

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules, the assesses is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

### **The Central Excise Act, 1944**

In accordance with the Central Excise Act and Central Excise Rules, every person who produces or manufactures any excisable goods is required to get itself registered with the Jurisdictional Deputy or Assistant Commissioner of Central Excise. Hence this Act is applicable to the Company. Further, the provisions of the Central Excise Rules provide that the manufacturer of final product (other than SSI's) shall submit the duty on goods removed from the factory or warehouse during the month by fifth day of following month. Also, a Monthly Return in Form ER1 is required to be submitted to the Superintendent of Central Excise within 10 days after the close of the month.

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company requiring importing or exporting any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

### **Miscellaneous Laws**

#### **Indian Patents Act, 1970**

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

#### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical, and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation, and translation of the work. There could be slight variations in the composition of the rights depending on the work.

#### **The Trade Mark Act, 1999**

In light of the changes in trade and commercial practices, globalization of trade, the need for simplification and harmonisation of trademark registration systems etc., the Indian Parliament undertook a comprehensive review of the Trade and Merchandise Marks Act, 1958 and replaced the same with a new legislation viz. the Trademarks Act, 1999. This Act makes trademarks law compatible with TRIPs and also harmonies it with international systems and Practices. The Trademark Act. (The – Trademark Act) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930, The Arbitration and Conciliation Act, 1996 and Consumer Protection Act 1986 are also applicable.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was incorporated as “Agarwal Toughened Glass India Private Limited”, Company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 30, 2009, issued by the Registrar of Companies, Jaipur, Rajasthan, India. Subsequently, our company was converted into Public Limited Company and the name of the Company was changed from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on January 30, 2023, and had received Certificate of Incorporation dated March 06, 2023, issued by the Registrar of Companies, Jaipur, Rajasthan, India. The CIN of the Company is U26109RJ2009PLC030153

The Promoters of our company are Mrs. Anita Uma Shankar Agarwal, Mr. Uma Shankar Sanwarmal Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal.

### Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them:

The names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association: Initial Allotment to Mr. Uma Shankar Sanwarmal Agarwal (25,000 Equity Shares) and Mr. Mahesh Kumar Sanwarmal Agarwal (25,000 Equity Shares), being the subscribers to the MoA of our Company.

### Changes in our Registered Office

As on the date of filing this Draft Prospectus, Our Company's Registered Office is situated at F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India.

Following are the details of the change in the address of the registered office of our Company since incorporation:

| Date             | From Address   | To Address  | Reasons for Change         |
|------------------|--|---|----------------------------|
| October 30, 2009 | -  | 70, Gopalpura By Pass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India  | Since Incorporation        |
| August 02, 2016  | 70, Gopalpura By Pass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India | F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India | For Administrative Purpose |

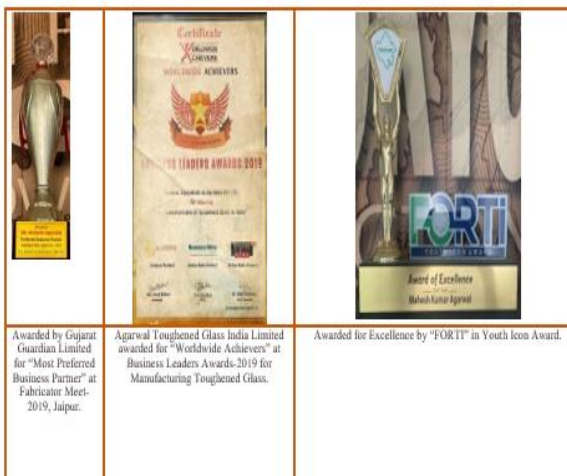
For further details of our Properties, please refer to the chapter titled ‘Business Overview’ beginning on page no. 97 of this Draft Prospectus.

### Major Events and Milestones

Some of the other key events in the history of our Company are set forth below:

| Year | Details  |
|------|--|
| 2009 | Incorporated a Private Limited Company   |
| 2010 | Lease Agreement entered in to for Factory Unit – 1   |
| 2017 | Certified from SAINT-GOBAIN for “KT-SERIES” (A Heat Treated and Isolated Glass Range).   |
| 2017 | Our company was Certified from Asahi India Glass Limited for Technically Qualified and Skilled, Ecosence Enhance & Exceed High Performance glass makers. |
| 2017 | Lease Agreement entered in to for Factory Unit – 2   |
| 2019 | Awarded by Gujarat Guardian Limited for “Most Preferred Business Partner” at Fabricator Meet-2019, Jaipur.   |
| 2019 | Authorized Dealer of “SISECAM FLAT GLASS”.   |

| Year | Details  |
|------|--|
| 2019 | Agarwal Toughened Glass India Limited awarded for “Worldwide Achievers” at Business Leaders Awards-2019 for Manufacturing Toughened Glass.   |
| 2020 | India's First “Indian Standards Institution mark” (ISI) marked - Architectural Toughened Glass.  |
| 2020 | Certified by “SAINT-GOBAIN” for producing Various Types of Glasses.  |
| 2020 | Certified from Asahi India Glass Limited – Technically Qualified and Skilled, to process AIS High performance glass till Ecosence Enhance Solar control single Low E-series.             |
| 2021 | Authorized Dealer of “Asahi India Glass Limited”.  |
| 2021 | Agarwal Toughened Glass India Limited is pronounced a “Certified Processor” by SAINT-GOBAIN. (Received on 13-08-2021)  |
| 2021 | Received “SUNGUARD SELECT PROCESSOR” for Guardian Sunguard high performance & ds series- by Gujarat Guardian Limited   |
| 2023 | ATGIL is pronounced a “Certified Processor” by SAINT-GOBAIN. (Received on 05-05-2023)  |
| 2023 | Awarded for Excellence by “FORTI” in Youth Icon Award.   |
| 2023 | NEW CERTIFICATE – ISO CERTIFICATE – under the category MANUFACTURER OF GLASS AND GLASS PRODUCTS  |
| 2023 | ARTIA Award presented to Mr. Uma Shankar Agarwal and Mr. Mahesh Kumar Agarwal as “Business Tycoon” in Glass Manufacturing Field sponsored by “BIKAJI” and “LOHAGARH FORT RESORT JAIPUR”. |
| 2023 | Awarded for “Shubh Business Icon Award 2022” for meritorious performance in glass manufacturing by All Rajasthan Trade and Industry Association (ARTIA) sponsored by “BIKAJI”.           |
| 2023 | Saint-Gobain Assured ELITE Member – An Initiative for Original Products in 2023.   |
| 2023 | ATGIL is pronounced a “Certified Processor” by SAINT-GOBAIN. (Received on 05-05-2023)  |
| 2023 | Converted from Private Limited Company to Limited Company (Received on 06-03-2023)   |
| 2023 | Unit II started with Jumbo Toughened Glass and Lamination (Received in September, 2023)  |





## Main Objects of our Company

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

To carry on in India or elsewhere the business as manufacturers, wholesalers, distributors, retailers, importers, exporters, agents, brokers, designers, fabricators, processors, suppliers and generally to deal in and to treat, refine, melt, blow, manipulable, prepare, finish, polish, mix, grade, operate, develop and modify all shapes, sizes, varieties, dimensions, decorations, specification and application of glasses, glass sheets, glass moulds, bulbs, glass, tubes, glass, articles, glass bottles, glass equipment's, bangles, beads, jewelleryes, scientific glasses, polished glasses, water glasses,

looking glasses, optical glasses, lenses, sheet glasses, multi colored glasses, safety glasses, try hid, glass, float glasses, fiber glasses, mirrors, and all kinds of glasses used in laboratories, buildings, automobiles, optical, railways, hospitals, domestic, industrial, commercial or other places of whatsoever natural and to carry on foregoing activities for law materials, consumables, intermediates, ingredients and substances connected thereto.

### **Amendments to the MoA of our Company since Incorporation**

Since incorporation, the following amendments have been made to the MoA of our Company:

| <b>Sr. No.</b> | <b>Changes In M.O.A</b>   | <b>Date &amp; Type of Meeting</b> |
|----------------|---|-----------------------------------|
| <b>A)</b>      | <b>Change in Capital Clause</b>   |                                   |
| 1.             | Increase in authorized capital from Rs. 5.00 Lakh to Rs. 2.25 Crores  | 17-03-2014; EGM                   |
| 2.             | Increase in authorized capital from Rs. 2.25 Crores to Rs. 2.50 Crores  | 30-10-2015; EGM                   |
| 3.             | Increase in authorized capital from Rs. 2.50 Crores to Rs. 2.80 Crores  | 28-07-2017; EGM                   |
| 4.             | Increase in authorized capital from Rs. 2.80 Crores to Rs. 3.20 Crores  | 09-03-2018; EGM                   |
| 5.             | Increase in authorized capital from Rs. 3.20 Crores to Rs. 4.00 Crores  | 30-03-2019; EGM                   |
| 6.             | Increase in authorized capital from Rs. 4.00 Crores to Rs. 5.00 Crores  | 24-03-2021; EGM                   |
| 7.             | Increase in authorized capital from Rs. 5.00 Crores to Rs. 15.00 Crores   | 15-09-2022; EGM                   |
| 8.             | Increase in authorized capital from Rs. 15.00 Crores to Rs. 20.00 Crores  | 30-01-2023; EGM                   |
| <b>B)</b>      | <b>Change in Name Clause</b>  |                                   |
|                | Change in the name of the company from “Private Limited”, to “Limited” pursuant to being converted to limited company | 30-01-2023; EGM                   |
| <b>C)</b>      | <b>Change in Articles of Association</b>  |                                   |
| 1.             | Adoption of new set of Articles of Association  | 30-01-2023; EGM                   |
| 2.             | Adoption of new set of Articles of Association  | 30-10-2023 EGM                    |

### **Launch of Key Products or services**

Except as disclosed in the chapter titled ‘*Business Overview*’ beginning on page no. 97 of this Draft Prospectus, our Company has not changed its products and services.

### **Subsidiaries and Holding Company**

As on the date of this Draft Prospectus our Company does not have subsidiary Company or Holding Company.

### **Associate Company**

As on the date of this Draft Prospectus, our Company has no associate company.

### **Joint Ventures**

As on the date of this Draft Prospectus, there are no existing joint ventures entered into by our Company.

### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation except the Following**

There has no material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation.

### **Strategic Partners:**

Our Company does not have any strategic partner(s) as on the date of this Draft Prospectus.

### **Financial Partners:**

Apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Prospectus.

**Shareholders' agreement:**

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Prospectus.

**Material Agreements:**

Our Company has not entered into any specific or material or special agreements and/or arrangements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

**Fraudulent Borrower**

Our Company or any of our promoter or directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

**Injunctions or Restraining Orders**

There are no injunctions/ restraining orders that have been passed against the Company.

**Fund raising through equity or debt**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled '*Restated Financial Statement*' and '*Capital Structure*' beginning on page no. 162 and 56, respectively, of this Draft Prospectus.

**Revaluation of Assets**

Our Company has not revalued its assets since its incorporation.

**Defaults or rescheduling of borrowings with financial institutions/banks**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks as on the date of this Draft Prospectus.

**Strikes and lock-outs**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Prospectus, our employees are not unionized.

**Time and cost overruns**

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

**Changes in the activities of Our Company having a material effect**

There has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

**Other declarations and disclosures**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

**Number of Shareholder in the Company**

As on the date of this Draft Prospectus, the total number of holders of our Equity Shares is 8 (Eight ). For further details of our shareholding pattern, please see '*Capital Structure*' on page no. 56 of this Draft Prospectus.

## OUR MANAGEMENT

### Board of Directors

As per the Articles of Association of our Company, we are required to have not less than 3 (three) Directors and not more than 15(fifteen) Directors on its Board, subject to the applicable provisions of the Companies Act. As on date of this Draft Prospectus, we have 4 (four) Directors and out these 2 (two) are Women Directors on our Board.

Sets forth below are the details regarding our Board as on the date of this Draft Prospectus:

| <b>Name, Age, Date of Birth, Designation, Address, DIN, Occupation, Qualification, Nationality, Term and Period of Directorship</b>  | <b>Other Directorships</b>   |
|--|--|
| <b>Mrs. Anita Uma Shankar Agarwal</b><br><b>Age:</b> 46 years<br><b>Designation:</b> Chairperson & Managing Director, & CEO<br><b>Address:</b> 70, Gopalpura By Pass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India<br><b>DIN:</b> 09740258<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Original Date of Appointment:</b> 28-09-2022<br><b>Change in Designation:</b> 30-10-2023<br><b>Period of Directorship:</b> Appointed for a term of five years, not liable to retire by rotation | Nil  |
| <b>Mr. Uma Shankar Sanwarmal Agarwal</b><br><b>Age:</b> 49 years<br><b>Designation:</b> Non-Executive Director<br><b>Address:</b> 70, Gopalpura By Pass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India<br><b>DIN:</b> 02806077<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Original Date of Appointment:</b> 30-10-2009<br><b>Change in Designation:</b> 18-03-2022<br><b>Period of Directorship:</b> Liable to retire by rotation  | ■ Agarwal Float Glass India Limited                                    |
| <b>Mr. Mahesh Kumar Sanwarmal Agarwal</b><br><b>Age:</b> 46 years<br><b>Designation:</b> Executive Director<br><b>Address:</b> 70, Gopalpura By Pass Sonabari, Near Narayan Niwas, Durgapura, Jaipur – 302018, Rajasthan, India<br><b>DIN:</b> 09820362<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Original Date of Appointment:</b> 30-10-2009<br><b>Change in Designation:</b> 06-03-2023<br><b>Period of Directorship:</b> Appointed for a term of five years, not liable to retire by rotation                 | ■ Agarwal Float Glass India Limited<br>■ Agarwal Fortune India Limited |
| <b>Mr. Nitin Ghanshyam Hotchandani</b><br><b>Age:</b> 35 years<br><b>Designation:</b> Independent Non-Executive Director<br><b>Address:</b> B-230, Malviya Nagar, Kardhani Shopping Center, Jaipur – 302017, Rajasthan, India<br><b>DIN:</b> 08569325<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Original Date of Appointment:</b> 06-03-2023<br><b>Change in Designation:</b> 06-03-2023.   | ■ Umang Boards Limited   |



| <b>Name, Age, Date of Birth, Designation, Address, DIN, Occupation, Qualification, Nationality, Term and Period of Directorship</b>   | <b>Other Directorships</b>  |
|---|---|
| <b>Period of Directorship:</b> Appointed for a term of five years w.e.f. 06-03-2023   |   |
| <b>Mrs. Shalini Ashok Kumar Sharma</b><br><b>Age:</b> 33 years<br><b>Designation:</b> Independent Non-Executive Director<br><b>Address:</b> 2418, 2 Crossing, Bhindo Ka Rasta, Chandpole Bajar, Jaipur - 302017, Rajasthan, India<br><b>DIN:</b> 08494127<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Original Date of Appointment:</b> 06-03-2023<br><b>Change in Designation:</b> 06-03-2023.<br><b>Period of Directorship:</b> Appointed for a term of five years w.e.f. 06-03-2023 | <ul style="list-style-type: none"> <li>▪ India Enforcement Services Private Limited</li> </ul>                          |
| <b>Mr. Ravi Kumar Manohar Lal Torani</b><br><b>Age:</b> 35 years<br><b>Designation:</b> Independent Non-Executive Director<br><b>Address:</b> 2-Gh-35, Shri Ram Vihar Colony, Vaishali Nagar, Ajmer – 305001, Rajasthan, India<br><b>DIN:</b> 06976749<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Original Date of Appointment:</b> 06-03-2023<br><b>Change in Designation:</b> 06-03-2023.<br><b>Period of Directorship:</b> Appointed for a term of five years w.e.f. 06-03-2023    | <ul style="list-style-type: none"> <li>▪ Techtastic Ventures Private Limited</li> <li>▪ Taurja Solutions LLP</li> </ul> |

Note: For further details on their qualification, experience etc., please see their respective biographies under the heading “**Brief Profile of the Directors of our Company**” as mentioned on page no. 139 of this Draft Prospectus.

#### **Confirmations as on the date of this Draft Prospectus:**

1. None of the above-mentioned Directors are on the RBI List of willful defaulters as on date of this Draft prospectus.
2. None of the above-mentioned Directors have been and/or are being declared as fugitive economic offenders as on date of this Draft prospectus.
3. None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or Our Company are debarred by SEBI from accessing the capital market.
4. None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
5. Further, none of our directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) during the (5) five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
6. There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or member of the senior management.
7. The Directors of our Company have not entered into any service contracts with our Company which provide for benefits upon termination of employment.
8. No proceedings/ investigations have been initiated by SEBI against any Company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms of Companies in which they are interested by any person either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

## **Relationship between Directors**

Except Mrs. Anita Uma Shankar Agarwal and Mr. Uma Shankar Sanwarmal Agarwal are spouse to each other, Mrs. Anita Uma Shankar Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are related as Brother-in-law and Sister-in-law to each other respectively and Mr. Uma Shankar Sanwarmal Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are brothers to each other; none of our other Directors and/or KMP and/ or Promoters are neither related to each other nor do they have any other family relationships as per section 2(77) of the Companies Act, 2013.

## **Brief Profile of the Directors of our Company**

### **Mrs. Anita Uma Shankar Agarwal– Chairperson, Managing Director & CEO**

**Mrs. Anita Uma Shankar Agarwal**, aged 46 years, holds a bachelor's degree in arts, examination conducted by University of Rajasthan. She holds post of Managing Director and CEO of our Company She has more than a decade of experience in the glass industry. She is also running Food & Beverages business since 2021 under her Proprietorship Concern in the name of M/s Agarwal Foods & Beverages.

### **Mr. Uma Shankar Sanwarmal Agarwal – Non-Executive Director**

**Mr. Uma Shankar Sanwarmal Agarwal**, aged 49 years, is a promoter Director and presently holds the position as Non-Executive Director of our Company. He is a Bachelor of Commerce (hons) from Ranchi University and has always believed to go the extra mile. He serves as a Director in Agarwal Toughened Glass India Limited and since its inception; the company achieved many successes under his leadership. In 2018, Agarwal Toughened Glass India Ltd became India's first ISI mark architectural toughened glass manufacturing company. Yet another win was when Agarwal Toughened inaugurated the second laminated glass unit in Jaipur in 2021 which involved major R&D for process and products. He also focused on 'Make in India' initiative and had started developing import substitutes for glass products by maintaining an eco-friendly environment has been the priority. He has also established Agarwal Float Glass India Limited, a glass trading plant in Jaipur, Rajasthan, in 2018. He is the Chairman and Director of Agarwal Float Glass India Private Limited. He's made an edge in the market by supplying the best quality glasses in the competitive prices and with this new set up ensured to provide complete range of glasses to its esteemed customers. In 2022, he has been appointed as the Secretary of All Raj. Trade and Industry Association (ARTIA). Yet another feather in the cap.

### **Mr. Mahesh Kumar Sanwarmal Agarwal - Executive Director**

**Mr. Mahesh Kumar Sanwarmal Agarwal**, aged 46 years, is a promoter Director and presently holds the position as Executive Director of our company. He is having bachelor's degree in commerce from Ranchi University. He manages the manufacturing and trading business affairs including the overall business strategy and developing business relations for the companies' viz. Agarwal Toughened Glass India Limited and Agarwal Float Glass India Limited. Under his leadership, the company has grown from an Indian domestic supplier into a global producer and supplier. The company has carved a niche for itself in the glass industry and thus offers impeccable products to its customers. Being a revolutionary, he focused on R&D to discover new technologies and next- generation products. Agarwal Toughened Glass India Limited was India's first ISI mark architectural toughened glass manufacturing company. In 2018, Agarwal Toughened inaugurated second laminated glass unit in Jaipur which marked as the biggest laminated safety glass plant of northern India. Agarwal Group conquered inspiring heights with the incorporation of Agarwal Float Glass India Limited, in 2018. The business expanded to the glass processing unit from being a distributor of glass products. He also ventured a new business 'Agarwal Fortune India Limited', (formerly known as Devki Leasing and Finance Limited). He serves as a Hon' Managing Director in Agarwal Fortune India Limited. The company focuses on leasing, investing, and trading in shares and securities. He has been recognised by Forti Youth Icon Awards 2021 for his exemplary contribution in the industry. He also received other accolades marking his business triumphs like- Preferred Business Partner by Gujarat Guardian Limited in 2019.

### **Mr. Nitin Ghanshyam Hotchandani – Independent Non-Executive Director**

**Mr. Nitin Ghanshyam Hotchandani** aged 35 years, He has Completed his education from University of Rajasthan and obtained LLB, M. Com and B. Com degrees. He is an Independent Non-Executive Director of our Company. He is also the Former Chairman of Jaipur Chapter of NIRC of ICSI in the year 2020 and the managing Committee member of FORTI (Federation of Rajasthan Trade & Industry) and member of RTCA (Rajasthan Tax Consultant Association)

etc. Presently, He is a Practicing Company Secretary (a peer review firm) working as is Proprietor of H. Nitin & Associates, a Fellow Member of The Institute of Company Secretaries of India (ICSI) and has over 8 years of work experience in providing comprehensive professional services in the area of Corporate Laws, Securities Laws, Personnel Law, Compliance Management, Secretarial, Financial Management and Management Consultancy, Business Solutions to the Corporate Sector, FEMA and RBI compliances, Corporate and Taxation and many more services. He is also an Independent Director in Umang Boards Limited. He was elected as Jaipur Chapter management committee member of ICSI for the period of 2019-2022. He also served the services to Jaipur chapter of ICSI as the Vice Chairman in the year 2019.

#### **Mrs. Shalini Ashok Kumar Sharma - Independent Non-Executive Director**

**Mrs. Shalini Ashok Kumar Sharma** aged 33 years; She holds master's degree in Masters of Commerce from University of Rajasthan in the year 2015. She is an Independent Non-Executive Director of our Company. She possesses an overall working experience of more than 5 years in handling assignments related to Company Act, GST Act, Income Tax returns and other assigned tasks provided during my tenure. She is also associated as Director in India Enforcement Services Private Limited

#### **Mr. Ravi Kumar Manohar Lal Torani - Independent Non-Executive Director**

**Mr. Ravi Kumar Manohar Lal Torani**, aged 35 years, holds B. Tech. (ECE, RTU) b. Take. in ECE and RTU degree from Arya Institute of Engineering & Technology - KUKAS, Jaipur, Rajasthan in the year 2011. He is an Independent Non-Executive Director of our Company. After completing his graduation, he joined as Project Manager (MSS Dept. Engineering & Commissioning) at Technisys Engineering Pvt. Ltd., Faridabad, Haryana; Management of projects and operations. Managing a team of minimum 20 members of Design Engineers. Currently associated as Designated Partner with Trouja Solutions LLP, Ajmer where he deals with Sales & Marketing of PLC/DCS/Automation/Solar Products Procurement of PLC/DCS/Automation/Solar Products, Customer & Vendor Relationship Management, Rooftop Residential and handling industrial solar projects. He is also associated as Director in Techastics Ventures Pvt. Ltd. and the designated partner in Trouza Solutions LLP.

#### **Borrowing Powers of the Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum or sums of money for the purposes of our Company.

Pursuant to a special resolution passed on October 30, 2023 our shareholders in their Extra Ordinary General Meeting authorized our Board to borrow from time to time such sums of money as may be required under Section 180(1)(c) of the Companies Act, 2013, provided that such amount shall not exceed Rs. 150.00 Crores.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page no. 268 of this Draft Prospectus.

#### **Terms and conditions of employment of our Executive Directors**

##### **Mrs. Anita Uma Shankar Agarwal– Managing Director & CEO**

**Mrs. Anita Uma Shankar Agarwal** was designated as the Managing Director and CEO of the Company w.e.f. 06-03-2023 *vide* Board of Directors resolution dated 06-03-2023. Our Company has entered into an agreement for the appointment of MD & CEO dated 06-03-2023 & 30-10-2023. The significant terms of the agreement are as below:

|                     |   |
|---------------------|---|
| <b>Remuneration</b> | <p>Rs. 2.00 Lakhs p.m.</p> <p>According to the limit prescribed or exceeding the limits prescribed under Section 197 of the Company Act, 2013 subject to the approval of Shareholders in General Meeting in consultation with Nomination and remuneration committee.</p> <p>Such amounts shall be paid as Basic Salary and/ or Special Allowance and perquisites and benefits as may be considered appropriate from time to time an approved by the Board of Directors.</p> |
|---------------------|---|

|   |  |
|---|--|
| <b>Other terms and conditions</b>                                 | Managing Director and CEO of the Company will not be entitled to any Sitting Fees for attending meetings of the Board of Directors or Committees thereof.  |
| <b>Remuneration in the event of loss or inadequacy of profits</b> | In case of inadequacy of profits or loss in any financial year, the salary (and other allowances, if any as per Company's Policy) will be paid to Managing Director and CEO in accordance with the applicable provisions of the Section I of PART II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Board of Directors. |

#### **Mr. Mahesh kumar Sanwarmal Agarwal – Executive Director**

**Mr. Mahesh kumar Sanwarmal Agarwal**, was designated as the Executive Director of the Company w.e.f. 06-03-2023 *vide* Board of Directors resolution dated 06-03-2023. Our Company has entered into an agreement for appointment of Executive Director dated 06-03-2023. The significant terms of the agreement are as below:

|   |  |
|---|--|
| <b>Remuneration</b>   | Rs. 1.50 Lakhs p.m.<br>According to the limit prescribed or exceeding the limits prescribed under Section 197 of the Company Act, 2013 subject to the approval of Shareholders in General Meeting in consultation with Nomination and remuneration committee.<br><br>Such amounts shall be paid as Basic Salary and/ or Special Allowance and perquisites and benefits as may be considered appropriate from time to time an approved by the Board of Directors. |
| <b>Other terms and conditions</b>                                 | Executive Director of the Company will not be entitled to any Sitting Fees for attending meetings of the Board of Directors or Committees thereof.   |
| <b>Remuneration in the event of loss or inadequacy of profits</b> | In case of inadequacy of profits or loss in any financial year, the salary (and other allowances, if any as per Company's Policy) will be paid to Executive Director in accordance with the applicable provisions of the Section I of PART II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Board of Directors.  |

#### **Remunerations and/ or Sitting Fees paid to our Non-Executive and Independent Directors**

Our Non-Executive Directors and Independent Non-Executive Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board and as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations. No remunerations and/ or sitting fees is paid/ payable to any of our Non-Executive and Independent Director.

#### **Shareholding of Directors in our Company**

Our Articles of Association do not require our directors to hold qualification shares. As on date of filing of this Draft Prospectus, except the following, none of our other Directors hold any Equity Shares of our Company:

| <b>Sr. No.</b> | <b>Name of Director</b>            | <b>Designation</b>      | <b>No. of Shares held in our Company</b> | <b>% of pre-issue paid-up Equity Share Capital</b> |
|----------------|------------------------------------|-------------------------|--|--|
| 1.             | Mrs. Anita Uma Shankar Agarwal     | Managing Director & CEO | 17,12,500                                | 14.42  |
| 2.             | Mr. Uma Shankar Sanwarmal Agarwal  | Non-Executive Director  | 4,42,750                                 | 3.73   |
| 3.             | Mr. Mahesh Kumar Sanwarmal Agarwal | Executive Director      | 33,83,250                                | 28.49  |
|                | <b>Total</b>                       |                         | <b>55,38,500</b>                         | <b>46.64</b>                                       |

#### **Interest of Directors**

The Non-Executive Independent Director may be deemed to be interested to the extent of sitting fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to him for his services as Executive Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/ paid or any loans or advances

provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of equity shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our Non-Promoter Directors, out of the Issue and also to the extent of any dividend payable to them and other distribution in respect of the said equity shares.

Our Directors, Non-Executive Independent Director may also be regarded as interested in the equity shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/ or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the equity shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as directors, members, partners and promoters, pursuant to the Issue.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself or other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

### **Interest in promotion of Our Company**

Except as stated in this chapter titled ***“Our Management”*** and the chapter titled ***“Financial Statement- Annexure - XXXVI - Related Party Transactions”*** beginning on page nos. 163 and 174 of this Draft Prospectus respectively and to the extent to remuneration received/ to be received by our directors, none of our directors have any interest in the promotion of our Company.

### **Interest in the property of Our Company**

Save and except as stated otherwise in ***“Our Properties”*** within the chapter titled ***“Our Business”*** on page no. 102 and in ***‘Annexure - XXXVI: Statement of Related Parties’ Transactions’*** in the chapter titled ***‘Restated Financial Statement’*** beginning on page no. 162 of this Draft Prospectus:

- Our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of this Draft Prospectus;
- Our Directors do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company as on the date of this Draft Prospectus;
- Our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them as on the date of this Draft Prospectus.

### **Interest in the business of Our Company**

Save and except as stated otherwise in ***‘Annexure - XXXVI: Statement of Related Parties’ Transactions’*** in the chapter titled ***‘Restated Financial Statement’*** beginning on page no. 162 of this Draft Prospectus:

- Our Directors do not have any other interests in our Company and/or our business as on the date of Draft Prospectus except to the extent of their shareholding in our Company and/ or their relative shareholding in our Company and/ or any dividends paid/ payable to them and/ or their relatives and/or any other distributions in respect of the Equity Shares of our Company;
- Our Directors are not interested in the appointment of Underwriters, Market Makers, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI as required to be appointed for the process of listing;
- There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the directors was selected as a director or member of senior management;
- Our company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are directly or indirectly interested and no payments have

been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

### **Interest as a creditor of Our Company**

Except as stated in the '*Annexure - XXXVI: Statement of Related Parties' Transactions*' on 163 and chapter titled "*Statement of Financial Indebtedness*" on page no. 210 in the chapter titled '*Restated Financial Statement*' beginning on page no. 162 of this Draft Prospectus:

- Our Company has not availed any loans from our Directors of our Company as on the date of this Draft Prospectus;
- None of our sundry debtors or beneficiaries of loans and advances are related to our directors.

### **Interest as Director of our Company**

Except as stated in the chapter titled '*Our Management, 'Capital Structure' and 'Annexure - XXXVI: Statement of Related Parties' Transactions*' beginning on page no. 137, 56 and 163 of this Draft Prospectus, our Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and in terms of our AOA.

### **Interest of Key Managerial Personnel**

Except as stated in this Chapter, none of the key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration except as stated in the chapter titled '*Our Management, 'Capital Structure' and 'Annexure - XXXVI: Statement of Related Parties' Transactions*' beginning on page no. 137, 56 and 163 of this Draft Prospectus.

### **Details of Service Contracts**

Except as stated in the '*Annexure - XXXVI: Statement of Related Parties' Transactions*' on page no. 193 and in the Chapter titled "*Statement of Financial Indebtedness*" of our Company on page no. 210 of this Draft Prospectus, there is no service contracts entered into with any Directors for payments of any benefits or amount upon termination of employment.

### **Bonus or Profit-Sharing Plan for the Directors**

Except as stated in the '*Annexure - XXXVI: Statement of Related Parties' Transactions*' on page no. 193, there is no there is no bonus or profit-sharing plan for the Directors of our Company.

### **Contingent and Deferred Compensation payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation as on the date of filing this Draft Prospectus. Further, there is no contingent or deferred compensation accrued for the year, which is payable to our Directors as on the date of filing this Draft Prospectus.

### **Changes in the Board for the last three years**

There has been no change in the Board of Directors, except as stated below during the last three (3) years preceding the date of Draft Prospectus:

| Name of Director                   | Designation                                   | Date Of Appointment | Date Of Cessation | Remarks               |
|------------------------------------|---|---------------------|-------------------|-----------------------|
| Mr. Uma Shankar Sanwarmal Agarwal  | Promoter, Non-Executive Director              | 18-03-2022          | -                 | Change in Designation |
| Mr. Mahesh Kumar Sanwarmal Agarwal | Promoter, Non-Executive Director              | 18-03-2022          | -                 | Change in Designation |
| Mrs. Anita Uma Shankar Agarwal     | Additional Director as Non-Executive Director | 28-09-2022          | -                 | Fresh Appointment     |
| Mrs. Anita Uma Shankar Agarwal     | Non-Executive Independent Director            | 28-09-2022          | -                 | Change in Designation |
| Mrs. Anita Uma Shankar Agarwal     | Chairperson & Managing Director               | 06-03-2023          | -                 | Change in Designation |
| Mr. Mahesh Kumar Sanwarmal Agarwal | Executive Director                            | 06-03-2023          |                   | Change in Designation |
| Mr. Nitin Ghanshyam Hotchandani    | Independent Non-Executive Director            | 06-03-2023          | -                 | Fresh Appointment     |
| Mrs. Shalini Ashok Kumar Sharma    | Independent Non-Executive Director            | 06-03-2023          | -                 | Fresh Appointment     |
| Mr. Ravi Kumar Manohar Lal Torani  | Independent Non-Executive Director            | 06-03-2023          | -                 | Fresh Appointment     |
| Mrs. Anita Uma Shankar Agarwal     | Chairperson, Managing Director & CEO          | 30-10-2023          | -                 | Change in Designation |

## Corporate Governance

Applicable provision of the Companies Act, 2013 with respect to corporate governance and the provisions of the SEBI (LODR) Regulations, 2015, as amended from time to time, will be applicable to our Company upon the listing of the Equity Shares with the Stock Exchanges in India.

Our Company is in compliance with the corporate governance code in accordance with Companies Act, 2013, SEBI (LODR) Regulations, 2015 and SEBI Regulations, as amended from time to time, particularly those relating to composition of Board of Directors and constitution of committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas.

## Composition of Board of Directors

Currently, the Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in accordance with Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Our Board has 6 Directors, comprising of 2 Executive Directors, 1 Non-Executive Director and 3 Non-Executive Independent Directors.

Our Company has constituted the following Committees in compliance with the corporate governance norms:

- 1) Audit Committee;
- 2) Nomination and Remuneration Committee; and
- 3) Stakeholders Relationship Committee.

## Audit Committee

The Audit Committee was constituted *vide* Board resolution dated 20-11-2023, pursuant to section 177 of the Companies Act, 2013. As on the date of this Draft Prospectus the Audit Committee consists of the following Directors:

| <b>Name of the Director</b>       | <b>Designation in the Committee</b> | <b>Nature of Directorship</b>      |
|-----------------------------------|-------------------------------------|------------------------------------|
| Mr. Nitin Ghanshyam Hotchandani   | Chairman                            | Independent Non-Executive Director |
| Mrs. Shalini Ashok Kumar Sharma   | Member                              | Independent Non-Executive Director |
| Mr. Ravi Kumar Manohar Lal Torani | Member                              | Independent Non-Executive Director |
| Mrs. Anita Uma Shankar Agarwal    | Member                              | Managing Director & CEO            |

Our Company Secretary and Compliance Officer of the Company would act as the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

- 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) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - 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
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- 5) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 13) 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.
- 14) Discussion with internal auditors any significant findings and follow up there on.
- 15) 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.
- 16) 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.
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 18) To review the functioning of the Whistle Blower mechanism.
- 19) 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.
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



**Explanation (i):** The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

***The Audit Committee enjoys following powers:***

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

***The Audit Committee shall mandatorily review the following information:***

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

***Quorum and Meetings***

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

**Stakeholder`s Relationship Committee**

The Shareholders and Investors Grievance Committee have been formed by the Board of Directors pursuant to section 178 (5) of the Companies Act, 2013 at the meeting held on 20-11-2023.

As on the date of this Draft Prospectus the Shareholders and Investors Grievance Committee consists of the following:

| <b>Name of the Director</b>       | <b>Designation in the Committee</b> | <b>Nature of Directorship</b>      |
|-----------------------------------|-------------------------------------|------------------------------------|
| Mr. Nitin Ghanshyam Hotchandani   | Chairman                            | Independent Non-Executive Director |
| Mrs. Shalini Ashok Kumar Sharma   | Member                              | Independent Non-Executive Director |
| Mr. Ravi Kumar Manohar Lal Torani | Member                              | Independent Non-Executive Director |

Our Company Secretary and Compliance Officer of the Company would act as the secretary of the Shareholders/ Investors Grievance Committee.

This Committee will address all grievances of Shareholders and Investors in compliance of the provisions of section 178 (5) of the Companies Act, 2013 and its terms of reference include the following:

- 1. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares;
- 2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

3. Allotment of shares, monitoring and approving transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers; and
7. Carrying out any other function contained in the SEBI (LODR) Regulations as and when amended from time to time.

### **Quorum and Meetings**

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

### **Nomination and Remuneration Committee**

The re-constitution of the Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors pursuant to section 178 of the Companies Act, 2013 held on 20-11-2023.

As on the date of this Draft Prospectus the Remuneration Committee consists of the following Directors:

| <b>Name of the Director</b>       | <b>Designation in the Committee</b> | <b>Nature of Directorship</b>      |
|-----------------------------------|-------------------------------------|------------------------------------|
| Mr. Nitin Ghanshyam Hotchandani   | Chairman                            | Independent Non-Executive Director |
| Mrs. Shalini Ashok Kumar Sharma   | Member                              | Independent Non-Executive Director |
| Mr. Ravi Kumar Manohar Lal Torani | Member                              | Independent Non-Executive Director |

Our Company Secretary and Compliance Officer of the Company would act as the secretary of the Nomination and Remuneration Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of Independent Directors and the Board;
- 3) Devising a policy on Board diversity;
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- 5) To recommend to the Board, the remuneration packages i.e., salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc. of the executive directors;
- 6) To implement, supervise and administer any share or stock option scheme of our Company; and
- 7) To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

### **Quorum and Meetings**

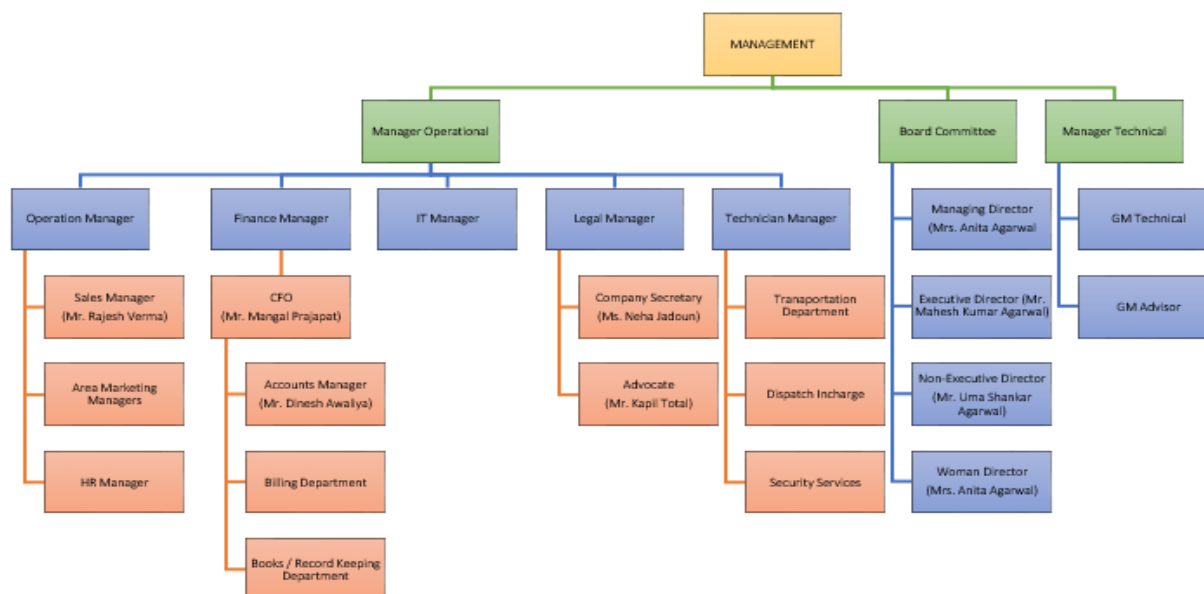
The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.

### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

Our Company undertakes to comply with the provisions of Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, after listing of our Company's equity shares on the Stock Exchange in India. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Our Company Secretary and Compliance Officer is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

## ORGANIZATIONAL STRUCTURE OF THE COMPANY



## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

### OUR KEY MANAGERIAL PERSONNEL

Set forth below are the details of our key managerial personnel in addition to our Chairperson, Managing Director & CEO, and Executive Director as on the date of the Draft Prospectus. For details of our Chairperson, Managing Director & CEO, and Executive Director please refer "**Our Management**" on page no. 137 of this Draft Prospectus.

**Mr. Mangal Ram Gopiram Prajapati** is the Chief Financial Officer of our Company since December 01, 2023. He holds a degree master's in commerce from the University of Rajasthan, He oversees the day-to-day financial activities in the Company. He is a financial wizard and his capabilities to find solution and constantly evolve himself are legendary; and the reason of presiding Agency's toughest job as the head of its Finance and Accounts Department. He began his professional journey 5 years ago in our company in the accounts department. In the modern ecosystem, his experience adds great value. Committed, focused, and upright, his expertise keeps the company's finances healthy.

**Ms. Neha Rajendra Singh Jadoun** is the Company Secretary and Compliance Officer of our Company since December 01, 2023. She possesses Associate Membership certificate No. ACS – 53281 dated May 02, 2019, from Institute of Company Secretaries of India. She has an experience of more than 4 years in providing consultancy, advisory, trouble shooting and representing services before ROC, Regional Director, Company Law Board and preparation of various petitions and other documentations for in NCLT cases.

### Relationship between Key Managerial Personnel, Promoters and Directors

Except Mrs. Anita Uma Shankar Agarwal and Mr. Uma Shankar Sanwarmal Agarwal are spouse to each other, Mrs. Anita Uma Shankar Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are related as Brother-in-law and Sister-in-law to each other respectively and Mr. Uma Shankar Sanwarmal Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are brothers to each other none of Our Company's other Directors and/or KMP and/ or Promoter are neither related to each other nor do they have any other family relationships as per section 2(77) of the Companies Act, 2013.

#### **Arrangement / Understanding with Major Shareholders / Customers / Suppliers.**

As on the date of this Draft Prospectus, Our Company has no arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors or Key Managerial Personnel was selected as a director or member of senior management.

#### **Shareholding of the Key Managerial Personnel other than the Directors:**

| <b>Name of the KMP's</b>           | <b>Designation</b>      | <b>No. of Shares held in our Company</b> | <b>% of pre-issue paid-up Equity Share Capital</b> |
|------------------------------------|-------------------------|--|--|
| Mrs. Anita Uma Shankar Agarwal     | Managing Director & CEO | 17,12,500                                | 14.42  |
| Mr. Mahesh Kumar Sanwarmal Agarwal | Executive Director      | 33,83,250                                | 28.49  |
| <b>Total</b>                       |                         | <b>50,95,750</b>                         | <b>42.91</b>                                       |

#### **Changes in Key Managerial Personnel during the last three years**

Following have been the changes in the Key Managerial Personnel during the last three years:

| <b>Name of the KMP's</b>           | <b>Designation</b>                            | <b>Date Of Appointment</b> | <b>Date Of Cessation</b> | <b>Reason</b>            |
|------------------------------------|---|----------------------------|--------------------------|--------------------------|
| Mrs. Anita Uma Shankar Agarwal     | Additional Director as Non-Executive Director | 28-09-2022                 | -                        | Fresh Appointment        |
| Mrs. Anita Uma Shankar Agarwal     | Non-Executive Independent Director            | 28-09-2022                 | -                        | Change in Designation    |
| Mrs. Anita Uma Shankar Agarwal     | Chairperson & Managing Director               | 06-03-2023                 | -                        | Change in Designation    |
| Mr. Mahesh Kumar Sanwarmal Agarwal | Executive Director                            | 06-03-2023                 | -                        | Change in Designation    |
| Mr. Mangal Ram Gopiram Prajapati   | Chief Financial Officer                       | 01-12-2023                 | -                        | Fresh Appointment as CFO |
| Ms. Neha Rajendra Singh Jadoun     | CS & Compliance officer                       | 01-12-2023                 | -                        | Fresh Appointment        |

#### **Interest of Key Managerial Personnel**

Except as disclosed in "Interest of Directors" in "Our Management" on page no. 141 of this Draft Prospectus in respect of our directors, none of our other key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as disclosed in the chapter "Our Management" beginning on page 137 of this Draft Prospectus, none of our key managerial personnel has been paid any consideration of any nature, other than their remuneration.

#### **Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel**

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel and any bonus and/ or profit-sharing plan for the Key Managerial Personnel, except the normal bonus payment as a part of remuneration except as disclosed in '**Annexure - XXXVI: Statement of Related Parties' Transactions**' under the chapter '**Financial Statement**' beginning on page no. 162 of this Draft Prospectus.

#### **Contingent and Deferred Compensation payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

#### **Scheme of Employee Stock Options or Employee Stock Purchase (ESOP/ESPS SCHEME)**

Our Company does not have any Employee Stock Option Scheme or Employee Stock Purchase Scheme or any other similar scheme giving options in our Equity Shares to our employees.

#### **Loans to Key Managerial Personnel**

Except as disclosed in chapter '**Financial Statement**' beginning on page no. 162, there are no loans outstanding against the Key Managerial Personnel as on the date of this Draft Prospectus.

#### **Payment of Benefits to our Key Managerial Personnel (Non- Salary Related)**

Except for the payment of salaries, perquisites and reimbursement of expenses incurred in the ordinary course of business and as disclosed in '**Annexure - XXXVI: Statement of Related Parties' Transactions**' under the chapter '**Financial Statement**' beginning on page no. 163, we do not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel. Further, we have not paid/ given any other benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Prospectus.

#### **Service Contracts with Key Managerial Personnel**


As on the date of this Draft Prospectus, our Company has not entered into any service contracts with the Key Managerial Personnel's.

## OUR PROMOTER AND PROMOTER GROUP


As on date of this Draft Prospectus, our Promoters together hold 55,38,500 Equity Shares having face value of Rs. 10 per share and representing 46.64 % of the pre-issue paid up Capital of our Company. For details of the build-up of our Promoter' shareholding in our Company, please see "*Capital Structure- Shareholding of our Promoter*" beginning on page no 60 of this Draft Prospectus.

### THE BRIEF PROFILE OF OUR INDIVIDUAL PROMOTERS IS AS FOLLOWS:

#### MRS. ANITA UMA SHANKAR AGARWAL

|   |   |
|---|---|
|  | <p><b>Mrs. Anita Uma Shankar Agarwal</b>, aged 46 years, holds a bachelor's degree in arts, examination conducted by University of Rajasthan. She holds post of Promoter, Managing Director and CEO of our Company. She has more than a decade of experience in the glass industry. She is also running Food &amp; Beverages business since 2021 under her Proprietorship Concern in the name of M/s Agarwal Foods &amp; Beverages.</p> <p>For a brief profile, complete detail on her appointment as a director, positions / posts held in the past and in the present, other directorships and special achievements, please refer chapter titled "Our Management" on page no. 137 of this Draft Prospectus.</p> <p>As on date of the Draft Prospectus, 17,12,500 Equity Shares representing 14.42% of the pre-issue paid-up share capital of our Company are held by her.</p> |
|---|---|

#### MR. UMA SHANKAR SANWARMAL AGARWAL

|   |  |
|---|--|
|  | <p><b>Mr. Uma Shankar Sanwarmal Agarwal</b>, aged 49 years, is a promoter Director and presently holds the position as Non-Executive Director of our Company. He is a Bachelor of Commerce (hons) from Ranchi University and has always believed to go the extra mile. He serves as a Director in Agarwal Toughened Glass India Limited and since its inception; the company achieved many successes under his leadership. In 2018, Agarwal Toughened Glass India Ltd became India's first ISI mark architectural toughened glass manufacturing company. Yet another win was when Agarwal Toughened inaugurated the second laminated glass unit in Jaipur in 2021 which involved major R&amp;D for process and products. He also focused on 'Make in India' initiative and had started developing import substitutes for glass products by maintaining an eco-friendly environment has been the priority. He has also established Agarwal Float Glass India Limited, a glass trading plant in Jaipur, Rajasthan, in 2018. He is the Chairman and Director of Agarwal Float Glass India Private Limited. He's made an edge in the market by supplying the best quality glasses in the competitive prices and with this new set up ensured to provide complete range of glasses to its esteemed customers. In 2022, he has been appointed as the Secretary of All Raj. Trade and Industry Association (ARTIA). Yet another feather in the cap.</p> <p>For a brief profile, complete detail on his appointment as a director, positions / posts held in the past and in the present, other directorships and special achievements, please refer chapter titled "Our Management" on page no. 137 of this Draft Prospectus.</p> <p>As on date of the Draft Prospectus, 4,42,750 Equity Shares representing 3.73% of the pre-issue paid-up share capital of our Company are held by him.</p> |
|---|--|

## MR. MAHESH KUMAR SANWARMAL AGARWAL



**Mr. Mahesh Kumar Sanwarmal Agarwal**, aged 46 years, is a Promoter and presently holds the position as Executive Director of our company. He is having bachelor's degree in commerce from Ranchi University. He manages the manufacturing and trading business affairs including the overall business strategy and developing business relations for the companies' viz. Agarwal Toughened Glass India Limited and Agarwal Float Glass India Limited. Under his leadership, the company has grown from an Indian domestic supplier into a global producer and supplier. The company has carved a niche for itself in the glass industry and thus offers impeccable products to its customers. Being a revolutionary, he focused on R&D to discover new technologies and next-generation products. Agarwal Toughened Glass India Limited was India's first ISI mark architectural toughened glass manufacturing glass manufacturing company. In 2018, Agarwal Toughened inaugurated second laminated glass unit in Jaipur which marked as the biggest laminated safety glass plant of northern India. Agarwal Group conquered inspiring heights with the incorporation of Agarwal Float Glass India Limited, in 2018. The business expanded to the glass processing unit from being a distributor of glass products. He also ventured a new business 'Agarwal Fortune India Limited', (formerly known as Devki Leasing and Finance Limited). He serves as a Hon' Managing Director in Agarwal Fortune India Limited. The company focuses on leasing, investing, and trading in shares and securities. He has been recognized by Forti Youth Icon Awards 2021 for his exemplary contribution in the industry. He also received other accolades marking his business triumphs like- Preferred Business Partner by Gujarat Guardian Limited in 2019.

For a brief profile, complete detail on his appointment as a director, positions / posts held in the past and in the present, other directorships and special achievements, please refer chapter titled "Our Management" on page no. 137 of this Draft Prospectus.

As on date of the Draft Prospectus, 33,83,250 Equity Shares representing 28.49% of the pre-issue paid-up share capital of our Company are held by her.

*For details of the build-up of our Promoter's shareholding in our Company, please see "Capital Structure – Shareholding of our Promoter" beginning on page no 60 of this Draft prospectus.*

### **Other Declaration and Confirmations**

Our Company hereby confirms that the personal details of our Individual Promoter viz., Permanent Account Number, Passport Number and Bank Account Number will be submitted to the Stock Exchange at the time of filing this Draft Prospectus with them.

### ***Relationship of Promoter with our Directors***

Except for Mrs. Anita Uma Shankar Agarwal and Mr. Uma Shankar Sanwarmal Agarwal are spouse to each other, Mrs. Anita Uma Shankar Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are related as Brother-in-law and Sister-in-law to each other respectively and Mr. Uma Shankar Sanwarmal Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are brothers to each other none of Our Company's other Directors and/or KMP and/ or Promoter are neither related to each other nor do they have any other family relationships as per section 2(77) of the Companies Act, 2013.

### ***Change in the Management and control of our Company***

There has been no change in the Promoter, management, or control of our Company in the three years immediately preceding the date of this Draft Prospectus.

### ***Details of Companies / Firms from which our Promoter have disassociated***

Our Promoter have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Prospectus.

## **Interest of Promoter**

### ***Interest in promotion of Our Company***

Our Promoters together hold 55,38,500 Equity Shares aggregating to 46.64% of pre-issue Equity Share Capital in our Company. Our Promoters are interested to the extent that he has promoted our Company and to the extent of his directorship and shareholding in our Company & dividend payable thereon, if any and the shareholding of their relatives in our Company and the dividend declared and due, if any, and employment related benefits paid by our Company. For details regarding shareholding of our Promoter in our Company, please refer to the chapters titled ***“Capital Structure”*** and ***“Our Management”*** on page no. 56 and 137, respectively of this Draft Prospectus.

Our Promoters may be interested to the extent of unsecured loans granted to our Company, if any. Further, our Promoters may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners. Further, they may be deemed to be interested to the extent of transactions carried on / payment made by our Company to the proprietorship firm / partnership firm / companies in which they may act as a Proprietor/ Partner / Promoter and/or Directors. For further details, please refer to ***‘Annexure - XXXVI: Statement of Related Parties’ Transactions’*** in the chapter titled ***‘Restated Financial Statement’*** beginning on page no. 162 of this Draft Prospectus.

Our Promoters is also interested in our Company to the extent of being Chairperson, Managing Director and CEO and Executive Director of our Company and the remuneration and reimbursement of expenses payable to him in such capacities in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AOA of our Company. For further details in this regard, please refer chapter titled ***“Our Management”*** on page no. 137 of this Draft Prospectus

Our Promoters is also Promoters, Partner, Director and Shareholder of our Promoter Group Entities/ Companies and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group Companies and to the extent of their shareholding in our Group Companies with which our company transacts during the course of its operations. For further details please see ***“Our Group Companies”*** beginning on page no. 157 of this Draft Prospectus.

## **Experience of our Promoter in the business of our Company**

For details in relation to experience of our Promoters in the business of our Company, see Chapter ***“Our Promoter”*** and ***“Our Management”*** beginning on page no. 151 and 137 of this Draft Prospectus.

### ***Interest in the property of Our Company***

Except as disclosed in the chapters titled ***“Our Business”*** beginning on page no. 97 and ***‘Annexure - XXXVI: Statement of Related Parties’ Transactions’*** in the chapter titled ***‘Restated Financial Statement’*** beginning on page no. 162 of this Draft Prospectus, our Promoters does not have any interest in any property acquired three (3) years prior to the date of this Draft Prospectus.

Except as disclosed in the chapters titled ***“Our Business”*** beginning on page no. 97 and ***‘Annexure - XXXVI: Statement of Related Parties’ Transactions’*** in the chapter titled ***‘Restated Financial Statement’*** beginning on page no. 162 of this Draft Prospectus, our Promoters is currently not interested in various transactions with our Company involving acquisition of land, construction of building or supply of any machinery.

Our Promoters may be interested in transactions of our Promoter Group Companies/ Entities to the extent of their being the Promoters/ Directors/ Shareholders wherein the Promoter Group Companies/ Entities are involved in acquisition of land, construction of building or supply of any machinery. For further details please see ***“Our Group Companies”*** beginning on page no. 157 of this Draft Prospectus.

### ***Interest in transactions involving acquisition of land***



As on the date of this Draft Prospectus, except as disclosed in '**Annexure - XXXVI: Statement of Related Parties' Transactions**' in the chapter titled '**Restated Financial Statement**' beginning on page no. 162 of this Draft Prospectus, our Promoters does not have any interested in any property or in any transaction involving acquisition of land, construction of building or supply of any machinery by our Company.

#### ***Interest as a creditor of Our Company***

Except as stated in the '**Annexure - XXXVI: Statement of Related Parties' Transactions**' in the chapter titled '**Restated Financial Statement**' beginning on page no. 162 of this Draft Prospectus, our Company has not availed any loans from the Promoters of our Company as on the date of this Draft Prospectus.

#### ***Interest as Director of our Company***

Our Promoters- Mrs. Anita Uma Shankar Agarwal, Mr. Uma Shankar Sanwarmal Agarwal and Mr. Mahesh Kumar Sanwarmal Agarwal are the Directors in our Company as on the date of filing the Draft Prospectus. For details regarding their directorship and change in the board for the last three years in our Company, please refer to the chapter titled "**Our Management**" on page 137 of this Draft Prospectus.

Except as stated in '**Annexure - XXXVI: Statement of Related Parties' Transactions**' in the chapter titled '**Restated Financial Statement**' beginning on page no. 162 of this Draft Prospectus and shareholding of our Promoters in our Company in the chapter titled "**Capital Structure**" beginning on page no. 56 of this Draft Prospectus, our Promoters does not have any other interest in our company.

#### ***Interest as members of our Company***

Our Promoters are interested to the extent of their 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 no. 56 of this Draft Prospectus.

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as Members, Directors or Promoter nor have our Promoters been offered any inducements to become Directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated '**Annexure - XXXVI: Statement of Related Parties' Transactions**' on page no. 174 of the chapter titled '**Financial Statements**' beginning on page no. 162 of this Draft Prospectus and "**Our Group Companies**" beginning on page no. 157 of this Draft Prospectus.

#### ***Other Ventures of our Promoters of Our Company***

Except as disclosed in the chapter titled '**Our Promoter and Our Group Companies**' beginning on page no. 151 and 157 of this Draft Prospectus respectively, there are no other ventures of our Promoters in which they have any other business interests and/ or other interests.

#### ***Payment or Benefit to Promoters of Our Company***

Save and except as stated otherwise in '**Annexure - XXXVI: Statement of Related Parties' Transactions**' in the chapter titled '**Restated Financial Statement**' beginning on page no. 162 of this Draft Prospectus, no payment has been made or benefit given or is intended to be given to our Promoters in the three (3) years preceding the date of this Draft Prospectus.

#### ***Related Party Transactions***

For details of related party transactions entered into by our Promoters, members of our Promoter Group and our Company, please refer to '**Annexure - XXXVI: Statement of Related Parties' Transactions**' on page no. 163 of the chapter titled '**Financial Statement**' beginning on page no. 162 of this Draft Prospectus.

#### ***Guarantees***

As on date of this Draft Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

### ***Litigation details pertaining to our Promoter***

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “**Outstanding Litigation and Material Developments**” beginning on page 211 of this Draft Prospectus.

## **OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

### **1) Natural Persons who are part of the Promoter Group**

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the natural persons who are part of the Promoter Group (due to their relationship with the Promoter), other than the Promoters, are as follows:

| <b>Relationship with Promoter</b> | <b>Mrs. Anita Uma Shankar Agarwal</b>   | <b>Mr. Uma Shankar Sanwarmal Agarwal</b>                                       | <b>Mr. Mahesh Kumar Sanwarmal Agarwal</b>  |
|-----------------------------------|---|--|--|
| Father                            | Mr. Sushil Kumar Kejriwal   | Deceased   | Deceased   |
| Mother                            | Mrs. Madhuri Sushil Kumar Kejriwal  | Mrs. Sharda Devi Sanwarmal Agarwal   | Mrs. Sharda Devi Sanwarmal Agarwal   |
| Spouse                            | Mr. Uma Shankar Sanwarmal Agarwal   | Mrs. Anita Uma Shankar Agarwal   | Mrs. Sharda Mahesh Kumar Agarwal   |
| Brother                           | Mr. Arvind Kumar Kejriwal   | Mr. Mahesh Kumar Sanwarmal Agarwal   | Mr. Uma Shankar Sanwarmal Agarwal  |
| Sister                            | Mrs. Babita Dinesh Chetani,<br>Mrs. Kavita Agarwal<br>Mrs. Shweta Nitin Agarwal | Mrs. Sangeeta Agarwal  | Mrs. Sangeeta Agarwal  |
| Son                               | Mr. Mayur Uma Shankar Agarwal   | Mr. Mayur Uma Shankar Agarwal  | Mr. Hardik Mahesh Kumar Agarwal  |
| Daughter                          | -   | -  | Ms. Palak Mahesh Kumar Agarwal   |
| Spouse`s Father                   | Deceased  | Mr. Sushil Kumar Kejriwal  | Mr. Makkhan Lal Agarwal  |
| Spouse`s Mother                   | Mrs. Sharda Devi Sanwarmal Agarwal  | Mrs. Madhuri Sushil Kumar Kejriwal   | Mrs. Vimla Devi Makkhan Lal Agarwal  |
| Spouse`s Brother(s)               | Mr. Mahesh Kumar Sanwarmal Agarwal  | Mr. Arvind Kumar Kejriwal  | Mr. Rajesh Makkhanlal Agarwal,<br>Mr. Shashikant Makkhanlal Agarwal<br>Mr. Shyam Bihari Makkhanlal Agarwal |
| Spouse`s Sister(s)                | Mrs. Sangeeta Agarwal   | Mrs. Babita Dinesh Chetani<br>Mrs. Kavita Agarwal<br>Mrs. Shweta Nitin Agarwal | Mrs. Urmila Agarwal  |

### **2) As per Regulation 2(1) (pp) (iv) of the SEBI (ICDR) Regulations, 2018, Companies/ Corporate Entities, Firms, Proprietorships and HUFs which form part of our Promoter Group are as follows:**

As per the extent of information available in relation to our Promoter group, there are no other companies, firms, proprietorships and HUF's forming part of our Promoter Group as on date of this Draft Prospectus except mentioned below:

| <b>Sr. No.</b> | <b>Name of the Promoter Group Entities/ Company</b> |
|----------------|---|
| 1.             | Agarwal Float Glass India Limited                   |
| 2.             | Agarwal Fortune India Limited                       |
| 3.             | Mr. Uma Shankar Sanwarmal Agarwal (HUF)             |

| <b>Sr. No.</b> | <b>Name of the Promoter Group Entities/ Company</b> |
|----------------|---|
| 4.             | Mahesh Kumar Agarwal (HUF)                          |
| 5.             | Agarwal Food and Beverages (Proprietary Firm)       |

**Our Promoter, members of our Promoter Group, Promoter Group Entities/ Companies confirm that:**

- They have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;
- They have not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- Has been debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority; or
- Has not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018; or
- Have not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016 or
- Has not been identified as a willful defaulter by RBI or any other Government authority; or
- Has not committed any violations of securities laws in the past or does not any such proceedings that are pending against them.
- They have a negative net worth as of the date of the respective last audited financial statements.

Further, neither our Promoter nor the relatives of our individual Promoters (as defined under the Companies Act) have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

## OUR GROUP COMPANIES/ ENTITIES

The following disclosures shall be amended and/ or updated and/or added under the chapter titled “Our Group Companies/ Entities” beginning from page 142 of the Draft Prospectus:

As per the SEBI ICDR 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) issued by the Institute of Chartered Accountants of India such other companies as considered material by our Board.

Under the SEBI ICDR Regulations, the definition of ‘group companies’ includes such companies (other than the promoters and subsidiaries) with which the Company related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and such other companies as are considered material by the Board. Pursuant to a Board resolution dated December 01, 2023 our Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that: i) all companies with which the Company has entered into related party transactions as set out in the Restated Financial Statements; or such other companies as considered material by the Board are identified as Group Companies.

Accordingly, as on the date of this Draft Prospectus, our Board has identified following entities as our Group Companies. Other than these entities, there are no companies which are considered material by the Board to be identified as group companies. Set forth below are details of our Group Companies as on the date of this Draft Prospectus.

| Sr. No. | Name of the Group Entities/Company            |
|---------|---|
| 1       | Agarwal Float Glass India Limited             |
| 2       | Agarwal Fortune India Limited                 |
| 3       | Agarwal Food and Beverages (Proprietary Firm) |

### Details of Our Group Company

#### 1. Agarwal Float Glass India Limited (AFGIL)

**Corporate Information:** AFGIL is limited company incorporated on May 03, 2018 under Companies Act, 2013. The CIN is U74995RJ2018PLC061097 and the registered office is H-1/790, Sitapura Industrial Area Extension, Near Fire Bridge Office, Jaipur – 302022, Rajasthan, India.

**Nature of Activity:** The main objects of the AFGIL as per Memorandum of Association include, inter alia:

To establish and carry on in India or elsewhere the business of manufacturing, buying, selling, importing, exporting, trading, distributing, fabricating, processing, designing, broking, supplying and otherwise dealing in all types of glass, leveled and unleveled silvered sheet, curved or flat laminated and safety glass, toughened glass, fiber glass, welding glass, silver glass, colored glass, safety glass, tryhid glasses, float and plate glass, glass-wool, fiber glass, Glass tubes, glass bulb, glass moulds, glass bottles, mirrors, looking glass, scientific glass-ware, glass bricks, glass tiles, welding glass, colored glass, signal glass, decorating glass, optical glass, woods glass used in laboratories, icy flowered glass, acrylic plastic sheets, lead mirror, gold mirror, decorative glass, ice - flowered glass, glass doors, fittings and all kinds of glass articles. glass bevels, glass embossers, glass tablets, bottles, casks, porcelain wares receptacles of all kinds and all other articles and things associated with or auxiliary to attainment of above objects

**Financial information:** As required under the SEBI ICDR Regulations, information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of AFGIL for the last three financial years ended on 2023, 2022, 2021 and as on December 2023 are available on the website of the AFGIL for last three financial years at <https://agarwaltuff.com/investor-relations/financials/financial-results/>

## **2. Agarwal Fortune India Limited (AFIL) (formerly known as Devki Leasing And Finance Limited)**

**Corporate Information:** AFIL is limited company incorporated on July 28, 1995 under Companies Act, 1956. The CIN is L65921MP1993PLC007522 and the registered office is S-9-A, Sagar Ratna II , Gopalpura Bypass, Shri Gopal Nagar, Jaipur- 302018, Rajasthan, India.

**Nature of Activity:** The main objects of the AFIL as per Memorandum of Association include, inter alia:

1. To carry on the business of buying, selling, processing, crafting, importing, manufacturing, exporting, and/or otherwise dealing in different types or grade quality of glasses and mirror, i.e. float glasses, toughened glasses, safety glasses, processed glasses, architectural glasses, stain glasses, screen glasses, beveled glasses, antique glasses, reflective glasses, lead crystal glasses, cast glasses, decorative mirrors, cut glasses, curved (Bend) glasses, layered glasses, fused glasses, insulating glasses, fiber glasses, glass-bricks, gift articles of glass accessories, flat glasses and mirrors and decorative glasses products, glass wares, automobile glasses, sheet float and plate glasses, welding glasses, coloured glasses, glass doors and fittings, scraps of all types of glasses and other powders, pastes, and all types of glasses articles or products.
2. To carry on the business as traders, distributors, agents, manufacturers, , importers and exporters of or dealers in products, goods, articles, items, accessories, of whatsoever kind, nature or description, and further whether of commercial, industrial or household use or purpose, made of glasses, mirror, float glasses, toughened glasses, safety glasses, processed glasses, stain glasses, screen glasses, beveled glasses, antique glasses, reflective glasses, lead crystal glasses, cast glasses, decorative mirrors, cut glasses, curved (Bend) glasses, layered glasses, fused glasses, insulating glasses, fiber glasses, glass-bricks, all types of glass articles or products.
3. To carry on the business of providing technical consultancy services, advisory services and Undertake erection, maintenance overhauling of all types of glasses, various flat glasses and mirrors and decorative glass products, glass wares, automobile glasses, sheet float and plate glass, welding glass, coloured glasses, glass doors and fittings and all types of glass articles or products.
4. To carry on the business as transporters, providing transporting vehicles for goods, articles or things on routes and lines subject to law in force through all sorts of carries like trucks, lorries, trawlers, dumpers, coaches, tankers, tractors, haulers, jeeps, trailers, motor buses, omnibuses, motor taxis, and so on.

**Financial information:** As required under the SEBI ICDR Regulations, information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of AFIL for the last three financial years ended on 2023, 2022, 2021 and as on December 2023 are available on the website of the AFIL for last three financial years at <https://agarwalfortune.com/investor-relation/financials/annual-report/>

### **Litigation**

There is no outstanding litigation involving our Group Companies which have a material impact on our Company.

### **Group Companies under the Insolvency and Bankruptcy Code, 2016**

Neither has any winding up petition been filed under the Companies Act, 2013 against any group company nor has any corporate insolvency resolution process commenced against such group company under the Insolvency and Bankruptcy Code, 2016 or any other applicable law.

### **Defunct Group Companies**

None of our Group Companies are defunct companies, nor has any application been made to strike off their names from the register of companies during the five years preceding the date of filing the Draft Prospectus.

### **Related Party Transactions and sales and purchases between our Company and Group Entities**

For details of related party transactions entered into by our Company, refer '*Annexure - XXXVI: Statement of Related Parties' Transactions*' in the chapter titled '*Restated Financial Statement*' beginning on page no. 162 of this Draft Prospectus.

### **Common Pursuits**

Agarwal Float Glass India Limited and Agarwal Fortune India Limited, our Group Entities have broadly objects that are similar to our Company. We have not entered into any non-compete agreement with the said entities.

### **Interest of Group Entities**

- a) None of the Group Companies have any interest in the promotion of our Company.
- (b) None of the Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the preceding three years.
- (c) Except as disclosed in chapter titled '*Financial Statements*' beginning on page no. 162 of this Draft Prospectus, none of the Group Companies is interested in any transactions for acquisition of land, construction of building or supply of machinery.
- (d) Except in the ordinary course of business as disclosed in chapter titled '*Financial Statements*' beginning on page no. 162 of this Draft Prospectus, none of the Group Companies have any business interest or other interests in our Company.

### **Payment or Benefit to our Group Entities**

Except as stated in the *Annexure - XXXVI: Statement of Related Parties' Transactions*' in the chapter titled '*Restated Financial Statement*' beginning on page no. 162, there has been no payment of benefits to our Group Entities during the two years prior to the filing of this Draft Prospectus.

### **Other Confirmations**

Except Agarwal Float Glass India Limited and Agarwal Fortune India Limited, none of the Group Companies of our Company are listed.

Agarwal Float Glass India Limited had come out with an IPO of 21,90,000 Equity Shares of Rs. 10/- each at an issue price of Rs. 42/- per share for an amount aggregating up to Rs. 919.80 Lakhs and was listed on Emerge Platform of NSE on 23-02-2023. Agarwal Fortune India Limited had taken over a BSE listed entity- Devki Leasing And Finance Limited via Open Offer for 9,12,500 Equity Shares of Rs. 10/- each at an offer price of Rs. 8/- per share for an amount aggregating up to Rs. 73.00 Lakhs.

Further, except as mentioned above, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

As on the date of this Draft Prospectus, none of the Group Entities: (i) has received any winding up petition accepted by a court; (ii) have become defunct; (iii) have made an application to the relevant registrar of companies (in India), for striking off its name (iv) have been identified as wilful defaulters, as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them (v) have been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad (vi) had negative net worth as of the date of their last audited financial statements.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to '*Annexure - XXXVI: Statement of Related Parties' Transactions*' on page no. 193 of the chapter titled 'Restated Financial Statements' beginning on page no. 162 of this Draft Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. However, Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not declared and/or paid any dividend on equity shares since its incorporation.



## SECTION IX - FINANCIAL STATEMENTS

### RESTATED FINANCIALS INFORMATION

#### **Independent Auditor's Report for the Restated Financial Statements of Agarwal Toughened Glass India Limited (Formerly known as Agarwal Toughened Glass India Private Limited)**

To,  
The Board of Directors,  
**Agarwal Toughened Glass India Limited**  
F-2264, RIICO Industrial Area,  
Ramchandrapura, Sitapura (Ext.),  
Jaipur - 302022,  
Rajasthan, India

**Sub: Proposed Public Issue of 50,40,000 equity shares of face value of Rs. 10.00 each for cash at a price of Rs. 96.00 (Including Share Premium of Rs. 86.00 per Equity Share) per Equity Share aggregating Rs. 48,384 Crores through the fixed price route.**

Dear Sirs,

- 1) We have examined the attached Restated Summary Statements and Other Financial Information of **Agarwal Toughened Glass India Limited** (hereinafter referred to as “**the Company**”) described below and annexed to this report for the period ending on September 30, 2023 and financial year ended on March 31, 2023, 2022 and 2021 based on the audited financial statements of the Company (collectively referred to as the “**Restated Summary Statements**” or “**Restated Financial Statements**”) of the Company as duly approved by the Board of Directors of the Company.
- 2) The said Restated Financial Statements and other Financial Information have been examined and prepared for the purpose of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as “**Offer Document**”) in connection with the proposed Initial Public Offering (IPO) of the company taking into consideration the followings and in accordance with the following requirements of:
  - 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, as amended from time to time;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the ‘SEBI ICDR Regulations’) as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
  - The Guidance Note on Reports in Company Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“ICAI”) (“Guidance Note”);
  - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - The terms of reference to our engagement letter with the company dated March 28, 2023, requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on the Stock Exchange. In this case the Designated Stock Exchange being EMERGE platform of NSE (“IPO” or “SME IPO”).
- 3) These Restated Consolidated Financial Information (included in **Annexure I to XXXX**) have been extracted by the Management of the Company from:

The Company's Financial Statements for the period ending on September 30, 2023 and financial year ended on March 31, 2023, 2022 and 2021 which have been approved by the Board of Directors/Shareholders at their meeting held on December 01, 2023, September 01, 2023, September 02, 2022 and November 29, 2021

respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company's Management. The Financial Statement of the Company for the period ending on September 30, 2023, has been audited by M/s. Jethani And Associates, Chartered Accountants and financial year ended March 31, 2023, 2022 and 2021 have been audited by M/s Piyush Kothari & Associates, Chartered Accountants, Mr. Harish Sharma, Chartered Accountants and M/s. R. Shah & Co., Chartered Accountants respectively as sole statutory auditors and had issued unqualified reports for these years.

- 4) In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
- 5) The **Restated Statement of Assets and Liabilities** for the period ending on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.
  - (a) The **Restated Statement of Profit and Loss** of the Company for the period ending on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.
  - (b) The **Restated Statement of Cash Flows** of the Company for the period ending on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flows have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.

As a result of these adjustments, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

- 6) **Emphasis of Matters:** After the period ending on September 30, 2023, The Company by passing Board resolution dated October 28, 2023, and further by obtaining approval at the Extra Ordinary General Meeting held on October 30, 2023, has made Further Allotment of 71,25,000 Equity Shares of Face Value of Rs. 10/- each fully paid equity shares as Bonus Issue to its existing shareholders of the company in the ratio of 3:2 (on the basis of Fresh Three Equity Shares to be allotted to existing Two Equity Shares held by shareholders) by utilizing a sum of Rs. 7,12,50,000/- out of free reserves.
- 7) Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the period ending on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021 and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:
  - (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company.
  - (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
  - (c) Do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;

- (d) There are no qualifications in the Audit Reports issued by the Statutory Auditors for the period ending on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021, which would require adjustments in this Restated Financial Statements of the Company.
  - (e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in **Annexure – IV (1) & IV (2)** to this report;
  - (f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
  - (g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
  - (h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - (i) The Company has not paid any dividend since its incorporation.
- 8) We have also examined the following other Restated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors/shareholders on December 01, 2023 relating to the company for the financial year ended March 31, 2023, 2022 and 2021 proposed to be included in the Prospectus ("Offer Document") for the proposed IPO:
- 1. Statement of Share Capital, as restated in **Annexure - V** to this report.
  - 2. Statement of Reserves & Surplus, as restated in **Annexure – VI** to this report.
  - 3. Statement of Long-Term Borrowings as restated in **Annexure - VII** to this report.
  - 4. Statement of Other Non-Current Liabilities as restated in **Annexure - VIII** to this report.
  - 5. Statement of Short-Term Borrowings as restated in **Annexure - IX** to this report.
  - 6. Statement of Trade Payables as restated in **Annexure - X** to this report.
  - 7. Statement of Other Current Liabilities as restated in **Annexure – XI** to this report.
  - 8. Statement of Short-Term Provisions as restated in **Annexure - XII** to this report.
  - 9. Statement of Fixed Assets as restated in **Annexure - XIII** to this report.
  - 10. Statement of Capital Work in progress as restated in **Annexure - XIV** to this report.
  - 11. Statement of Deferred Tax Asset (Net) as restated in **Annexure - XV** to this report.
  - 12. Statement of Long-Term Loans and Advances as restated in **Annexure - XVI** to this report.
  - 13. Statement of Other Non-Current Assets as restated in **Annexure - XVII** to this report.
  - 14. Statement of Inventories as restated in **Annexure - XVIII** to this report.
  - 15. Statement of Trade Receivables as restated in **Annexure - XIX** to this report.
  - 16. Statement of Cash and Cash Equivalents as restated in **Annexure - XX** to this report.
  - 17. Statement of Short-Term Loans & Advances as restated in **Annexure - XXI** to this report.

18. Statement of Other Current Assets as restated in **Annexure - XXII** to this report
  19. Statement of Revenue from Operations as restated in **Annexure - XXIII** to this report.
  20. Statement of Other Income as restated in **Annexure - XXIV** to this report.
  21. Statement of Cost of Raw Material Consumed as restated in **Annexure - XXV** to this report.
  22. Statement of Direct Expenses as restated in **Annexure - XXVI** to this report.
  23. Statement of Changes in Inventories of Finished Goods as restated in **Annexure - XXVII** to this report.
  24. Statement of Employee Benefit Expenses as restated in **Annexure - XXVIII** to this report.
  25. Statement of Finance Costs restated in **Annexure - XXIX** to this report.
  26. Statement of Depreciation and Amortization Expenses as restated in **Annexure - XXX** to this report.
  27. Statement of Other Expenses as restated in **Annexure - XXXI** to this report.
  28. Statement of Other Income as restated in **Annexure - XXXII** to this report.
  29. Statement of Ageing of Trade Payables as restated in **Annexure - XXXIII** to this report.
  30. Statement of Ageing of Trade Receivables as restated in **Annexure - XXXIV** to this report.
  31. Statement of Accounting Ratio as restated in **Annexure - XXXV** to this report.
  32. Statement of Related Party Transactions as restated in **Annexure - XXXVI** to this report.
  33. Statement of Tax Shelters as restated in **Annexure - XXXVII** to this report.
  34. Statement of Dues of Small Enterprises and MICRO Enterprises as restated in **Annexure - XXXVIII** to this report.
  35. Statement of Additional Regulatory Information as restated in **Annexure - XXXIX** to this report.
  36. Statement of Capitalization as restated in **Annexure - XXXX** to this report.
- 9) We, M/s. Jethani And Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate no. 013450 issued by the “Peer Review Board” of the ICAI and is valid till August 31, 2025.
  - 10) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
  - 11) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.
  - 12) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  - 13) In our opinion, the above Restated Financial Statements contained in **Annexure 1 to XXXX** to this report read along with the ‘Significant Accounting Policies and Notes to the Restated Standalone Financial Statements’ appearing in **Annexure – IV (1) & IV (2)** after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI

Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

- 14) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For JETHANI AND ASSOCIATES**  
**Chartered Accountants**  
**FRN: 010749C**

**CA Umesh Kumar Jethani**  
**Partner**  
**M. No: 400485**  
**UDIN:**  
**Place: Jaipur**  
**Date: December 01, 2023**

**ANNEXURE - I****STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED****(₹ In Lakhs)**

| Sr. No.   | Particulars  | Annexure No. | As at September 30, 2023 | As at           |                 |                 |
|-----------|--|--------------|--------------------------|-----------------|-----------------|-----------------|
|           |  |              |                          | March 31, 2023  | March 31, 2022  | March 31, 2021  |
|           | <b>EQUITY AND LIABILITIES</b>                        |              |                          |                 |                 |                 |
| <b>1)</b> | <b><u>Shareholders Funds</u></b>                     |              |                          |                 |                 |                 |
|           | a. Share Capital                                     | V            | 475.00                   | 475.00          | 475.00          | 475.00          |
|           | b. Reserves & Surplus                                | VI           | 722.98                   | 288.51          | 189.11          | 139.79          |
| <b>2)</b> | <b><u>Non – Current Liabilities</u></b>              |              |                          |                 |                 |                 |
|           | a. Long-term Borrowings                              | VII          | 1457.24                  | 1,497.82        | 1,545.05        | 1,337.77        |
|           | b. Deferred Tax Liability (net)                      | XV           | -                        | -               | -               | -               |
|           | c. other Non Current Liabilities                     | VIII         | 156.01                   | 133.22          | 64.08           | 91.56           |
| <b>3)</b> | <b><u>Current Liabilities</u></b>                    |              |                          | -               |                 |                 |
|           | a. Short Term Borrowings                             | IX           | 1,480.30                 | 1,378.86        | 1,096.87        | 985.63          |
|           | b. Trade Payables                                    | X            |                          |                 |                 |                 |
|           | - Due to Micro, Small and Medium Enterprises         |              | 22.63                    | 23.67           | 20.85           | 230.70          |
|           | - Due to Others                                      |              | 197.92                   | 128.03          | 101.72          | 120.79          |
|           | c. Other Current liabilities                         | XI           | 58.17                    | 83.46           | 97.97           | 151.27          |
|           | d. Short Term Provisions                             | XII          | 204.05                   | 51.65           | 28.64           | 4.11            |
|           | <b>T O T A L</b>                                     |              | <b>4,774.31</b>          | <b>4,060.23</b> | <b>3,619.29</b> | <b>3,536.62</b> |
|           | <b>ASSETS</b>  |              |                          |                 |                 |                 |
| <b>1)</b> | <b><u>Non Current Assets</u></b>                     |              |                          |                 |                 |                 |
|           | a. Property, Plant & Equipment and Intangible Assets | XIII         |                          |                 |                 |                 |
|           | - Property, Plant & Equipment                        |              | 1,517.31                 | 1,575.15        | 1,748.28        | 1,362.53        |
|           | - Intangible Assets                                  |              | -                        | -               | -               | -               |
|           | - Capital Work-in-Progress                           | XIV          | 552.91                   | 180.18          | -               | 522.81          |
|           | b. Deferred Tax Asset (net)                          | XV           | 29.95                    | 30.04           | 17.08           | 4.86            |
|           | c. Long-term Loans & Advances                        | XVI          | 10.70                    | 9.22            | 8.34            | 1.22            |
|           | d. Other Non-current assets                          | XVII         | 30.46                    | 20.83           | 20.83           | 21.33           |
| <b>2)</b> | <b><u>Current Assets</u></b>                         |              |                          |                 |                 |                 |
|           | a. Inventories                                       | XVIII        | 1,378.80                 | 973.42          | 844.78          | 778.95          |
|           | b. Trade Receivables                                 | XIX          | 939.32                   | 896.89          | 749.98          | 606.03          |
|           | c. Cash and Cash Equivalents                         | XX           | 160.64                   | 197.94          | 9.85            | 40.84           |
|           | d. Short term loan and advances                      | XXI          | 151.39                   | 173.73          | 217.71          | 195.83          |
|           | e. Other current assets                              | XXII         | 2.83                     | 2.83            | 2.44            | 2.22            |
|           | <b>T O T A L</b>                                     |              | <b>4,774.31</b>          | <b>4,060.23</b> | <b>3,619.29</b> | <b>3,536.62</b> |

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVIII)

**ANNEXURE - II****STATEMENT OF PROFIT & LOSS, AS RESTATED****(Rs. In Lakhs)**

| Sr. No.  | Particulars   | Annexure No. | As at<br>September 30, 2023 | As at           |                 |                 |
|----------|---|--------------|-----------------------------|-----------------|-----------------|-----------------|
|          |   |              |                             | March 31, 2023  | March 31, 2022  | March 31, 2021  |
| <b>A</b> | <b>INCOME</b>   |              |                             |                 |                 |                 |
|          | Revenue from Operations   | XXIII        | 1,868.79                    | 3,995.03        | 3,340.94        | 2,158.21        |
|          | Other Income  | XXIV         | 41.41                       | 65.29           | 131.05          | 135.42          |
|          | <b>Total Income (A)</b>   |              | <b>1,910.20</b>             | <b>4,060.32</b> | <b>3,471.99</b> | <b>2,293.63</b> |
| <b>B</b> | <b>EXPENDITURE</b>  |              |                             |                 |                 |                 |
|          | Cost of raw material consumed   | XXV          | 973.44                      | 2,647.74        | 2,209.55        | 1,619.39        |
|          | Direct Expenses   | XXVI         | 158.27                      | 362.73          | 359.35          | 220.62          |
|          | Changes in inventories of finished goods, work-in-progress and stock-in-trade | XXVII        | (176.42)                    | 97.17           | 64.11           | (124.95)        |
|          | Employee benefits expense   | XXVIII       | 154.43                      | 350.08          | 298.45          | 233.27          |
|          | Finance costs   | XXIX         | 125.25                      | 231.83          | 220.51          | 193.71          |
|          | Depreciation and amortization expense   | XXX          | 75.97                       | 174.02          | 203.42          | 92.06           |
|          | Other expenses  | XXXI         | 12.14                       | 62.42           | 49.62           | 30.32           |
|          | <b>Total Expenses (B)</b>   |              | <b>1,323.08</b>             | <b>3,925.99</b> | <b>3,405.01</b> | <b>2,264.42</b> |
| <b>C</b> | <b>Profit before extraordinary items and tax(A-B)</b>                         |              | <b>587.12</b>               | <b>134.33</b>   | <b>66.98</b>    | <b>29.21</b>    |
|          | Extraordinary items   |              | -                           | -               | -               | -               |
| <b>D</b> | <b>Profit before tax</b>  |              | <b>587.12</b>               | <b>134.33</b>   | <b>66.98</b>    | <b>29.21</b>    |
| <b>E</b> | <b>Tax Expense:</b>   |              |                             |                 |                 |                 |
|          | (i) Current tax   | XXXVII       | 152.56                      | 47.90           | 29.88           | 6.26            |
|          | (ii) Deferred tax   | XV           | 0.09                        | (12.97)         | (12.22)         | 2.21            |
|          | Total Expenses (E)  |              | 152.65                      | 34.93           | 17.66           | 8.47            |
| <b>E</b> | <b>Profit for the year (D-E)</b>  |              | <b>434.47</b>               | <b>99.40</b>    | <b>49.32</b>    | <b>20.74</b>    |
| <b>F</b> | <b>Earnings per share (Face value of ₹ 10/- each):</b>                        | XXXVI        |                             |                 |                 |                 |
|          | i. Basic  |              | <b>9.15</b>                 | <b>2.09</b>     | <b>1.04</b>     | <b>0.52</b>     |
|          | ii. Diluted   |              | <b>9.15</b>                 | <b>2.09</b>     | <b>1.04</b>     | <b>0.52</b>     |

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVIII)

### ANNEXURE - III

#### STATEMENT OF CASH FLOWS, AS RESTATED

(Rs. In Lakhs)

| Particulars  | As at<br>September 30, 2023 | As at          |                |                |
|--|-----------------------------|----------------|----------------|----------------|
|  |                             | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| <b><u>Cash Flow From Operating Activities:</u></b>   |                             |                |                |                |
| Net Profit before tax as per Profit And Loss A/c     | 587.12                      | 134.33         | 66.98          | 29.21          |
| Adjustments for:                                     |                             |                |                |                |
| Finance Cost   | 121.88                      | 219.75         | 202.39         | 174.83         |
| Depreciation and Amortisation Expense                | 75.97                       | 174.02         | 203.42         | 92.06          |
| Operating Profit Before Working Capital Changes      | 784.97                      | 528.10         | 472.79         | 296.10         |
| Adjusted for (Increase)/Decrease in operating assets |                             |                |                |                |

| Particulars  | As at<br>September<br>30, 2023 | As at             |                   |                   |
|--|--------------------------------|-------------------|-------------------|-------------------|
|  |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Inventories  | (405.38)                       | (128.64)          | (65.83)           | (184.48)          |
| Trade Receivables  | (42.43)                        | (146.90)          | (143.94)          | (93.21)           |
| Short Term Loans and advances  | 22.34                          | 43.98             | (21.88)           | (132.22)          |
| Other Non Current Assets   | (9.63)                         | -                 | 0.50              | 53.65             |
| Other Current Assets   | -                              | (0.39)            | (0.22)            | 3.29              |
| Adjusted for Increase/(Decrease) in operating liabilities:                     |                                |                   |                   |                   |
| Trade Payables   | 68.85                          | 29.13             | (228.92)          | 98.47             |
| Other Current Liabilities  | (16.75)                        | (20.56)           | (55.23)           | 38.89             |
| Other Non-Current Liabilities  | 22.79                          | 69.14             | (27.48)           | 91.56             |
| Provisions   | (0.15)                         | 7.07              | (0.05)            | (60.54)           |
|  |                                |                   |                   |                   |
| Cash Generated From Operations Before Extra-Ordinary Items                     | 424.61                         | 380.93            | (70.26)           | 111.51            |
| Net Income Tax paid/ refunded  | (1.49)                         | (32.84)           | (12.42)           | (19.51)           |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>                  | <b>423.12</b>                  | <b>348.09</b>     | <b>(82.68)</b>    | <b>92.00</b>      |
|  |                                |                   |                   |                   |
| Purchase of property, plant & equipment and intangible assets (including CWIP) | (390.86)                       | (181.07)          | (66.36)           | (571.97)          |
|  |                                |                   |                   |                   |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>                  | <b>(390.86)</b>                | <b>(181.07)</b>   | <b>(66.36)</b>    | <b>(571.97)</b>   |
|  |                                |                   |                   |                   |
| <b>Cash Flow from Financing Activities:</b>                                    |                                |                   |                   |                   |
| Proceeds from Issue of Equity Shares   | -                              | -                 | -                 | 75.00             |
| Proceeds /(Repayment) of Borrowings  | 60.86                          | 234.77            | 318.52            | 523.33            |
| Finance Cost Paid  | (130.42)                       | (213.70)          | (200.46)          | (180.46)          |
| <b>Net Cash Flow from/(used in) Financing Activities (C)</b>                   | <b>(69.56)</b>                 | <b>21.07</b>      | <b>118.06</b>     | <b>417.87</b>     |
|  |                                |                   |                   |                   |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>          | <b>(37.30)</b>                 | <b>188.09</b>     | <b>(30.98)</b>    | <b>(62.10)</b>    |
| <b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>                 | <b>197.94</b>                  | <b>9.85</b>       | <b>40.84</b>      | <b>102.94</b>     |
| <b>Cash &amp; Cash Equivalents As At End of the Year</b>                       | <b>160.64</b>                  | <b>197.94</b>     | <b>9.85</b>       | <b>40.84</b>      |

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVIII)  
Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

#### **ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NET WORTH**

##### **1. CORPORATE INFORMATION**

Our Company was incorporated as “Agarwal Toughened Glass India Private Limited”, Company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 30, 2009, issued by the Registrar of Companies, Jaipur, Rajasthan, India. Subsequently, our company was converted into Public Limited Company and the name of the Company was changed from “Agarwal Toughened Glass India Private Limited” to “Agarwal Toughened Glass India Limited” under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on January 30, 2023, and had received Certificate of Incorporation dated March 06,



2023, issued by the Registrar of Companies, Jaipur, Rajasthan, India. For details pertaining to the changes of name of our company and change in the registered office, please refer to the chapter titled '**History and Certain Corporate Matters**' beginning on page no. 114 of this Draft Prospectus. The CIN of the Company is U26109RJ2009PLC030153

Agarwal Toughened Glass India Limited having CIN: U26109RJ2009PLC030153 is a professionally managed ISO 9001-2015 certified Company, established in 2009 to promote and market high performance reflective architectural glasses.

Agarwal Toughened Glass India Limited is a high technology company with more than 15 years of experience in the areas of special glass, advanced materials, and state-of-the-art technologies. Agarwal Toughened Glass India Limited seeks to contribute to its customer's success and become an important part of people's lives with its high-quality products and intelligent solutions. The company has the capacity to engineer its products to suit tailor-made specific applications or requirements to esteemed clients worldwide. Our products are a unique combination of quality and elegance that has led to the rapid growth and progress of our company. Modernized equipment and highly qualified and well experienced team of Professionals enables Agarwal Toughened Glass India Limited to produce a broad range of glass types to respond to the existing commercial building needs, including light transmission, solar control, wind resistance, safety, security, and year-round energy efficiency. Our highly experienced research team, engineering facility and high-tech Lab enable us to offer products to satisfy the needs of the target industries. Our Management comprises of a panel of experts who can envision the market demand of Architectural Glass and accordingly and consistently improve our supply, quality, design and technology. Our unique values, strength and commitments; an undisputable success mantra, is what defines our brand. At Agarwal Toughened Glass India Limited, Our glass is a featured component in a Broad range of architectural glass products.

**Agarwal Toughened Glass India Limited** are the leading and highly growing and recognized manufacturer of various types of Glasses; which are processed as per the Indian and International Standards for Domestic and International Exports under the brand name **Glasses for New Era**. The Company strongly believe in long term and sustainable success in business. We are committed to serve various industries across the globe as well as providing differentiated and tailored solutions to local issues across India. Agarwal Toughened Glass India Limited have well equipped plant and machineries with world-class technology which helps in processing high-quality glass at our two manufacturing and processing units in the developed industrial area of Jaipur Rajasthan; Accomplished with all necessary industrial setup like air ventilators, chilled water cooler system, fire equipment, first aid loading/unloading points outside.

*The Company is privileged to serve thousands of customers every year in India and abroad with high quality Toughened, Laminated and Insulated Glass. Agarwal Toughened Glass India Limited are the first "Indian Standards Institute Mark" (ISI) holder of Architectural Toughened Glass Manufacturer in India and Certified under – Saint-Gobain Assured – An Initiative for Original Products in 2023.*

Agarwal Toughened Glass India Limited consists of team of skilled experts is dedicated to deliver excellence of their knowledge and we feel honour to fulfil our commitments to innovation, customer satisfaction and sustainability. Our state-of-the-art technology and processes ensure that every product leaving our facility is of the highest quality and meets the industry standards. The Company designs and provide best solutions for their products, as they are designed to deliver aesthetics and functional benefit solutions for Industrial, Commercial, Architectural, Residential, Hospitals etc.

Agarwal Toughened Glass India Limited has been honoured with awards and recognitions as acknowledgement of its contributions towards Glass Industry. Agarwal Toughened Glass India Limited marketing strategy is to emphasize the quality of product & service. Our quality team had participated in various national and international training programs.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **2.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS**

Restated summary statement of assets and liabilities of the Company as at period ended on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021, and the related restated summary statement of

profits and loss and cash flows for the period ended September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021, (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements of the Company for the period ended on September 30, 2023, and financial year ended on March 31, 2023, 2022 and 2021 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE in connection with its proposed SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

## **2.02 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

## **2.03 PROPERTY, PLANT & EQUIPMENT**

All Fixed Assets are recorded at cost including taxes, duties, freight, and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

## **2.04 DEPRECIATION / AMORTISATION**

Depreciation on fixed assets is calculated on a Written down value method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of each are depreciated in full in the year of purchase. Intangible assets, including internally developed intangible assets, are amortised over the year for which the company expects the benefits to accrue. Intangible Asset - Software is amortised with a useful life of decided by the management.

## **2.05 INVENTORIES**

Inventories comprises of Raw Material, Work-in-progress finished goods and Consumables stores. Inventories are measured at the lower cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

## **2.06 IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. A recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. 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 recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

## **2.07 BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are Capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

## **2.08 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving a substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## **2.09 REVENUE RECOGNITION**

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount and sales returns.

The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for, on final settlement.

## **2.10 OTHER INCOME**

Other Income is accounted for when the right to receive such income is established.

## **2.11 TAXES ON INCOME**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

## **2.12 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## 2.13 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

## 2.14 EMPLOYEE BENEFITS

The company's contribution to the Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

## 2.15 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted for on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

## 3. NOTES ON RECONCILIATION OF RESTATED PROFITS

(₹ In Lakhs)

| Particulars  | For the period ended September 30, 2023 | For the Year ended |                |                |
|--|---|--------------------|----------------|----------------|
|  |   | March 31, 2023     | March 31, 2022 | March 31, 2021 |
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 452.01                                  | 106.34             | 115.18         | (18.32)        |
| Adjustments for:   | -                                       | -                  | -              | -              |
| Depreciation and Amortization Expense                            | 0.99                                    | (5.12)             | (33.02)        | (1.75)         |
| Interest on late payment of taxes                                | -                                       | -                  | (0.91)         | (3.35)         |
| Income tax expense   | (18.46)                                 | (13.04)            | 1.23           | 1.97           |
| Deferred tax expense   | (0.09)                                  | 11.23              | (33.15)        | 42.19          |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                  | <b>434.45</b>                           | <b>99.41</b>       | <b>49.33</b>   | <b>20.74</b>   |

### Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

- Depreciation and Amortization Expense:** Company has charged excess depreciation in respective financials year / period which has been restated accordingly.
- Interest on late payment of taxes:** The Company didn't recognise interest & Late payment charges in books, hence the impact was restated in relevant previous years
- Income tax expense / MAT credit entitlement:** Impact of short / excess provision of tax for earlier years are restated accordingly.
- Deferred Tax:** Due to change in depreciation as per Pt. a, the deferred tax impact has been restated using the enacted rates.

#### 4. NOTES ON RECONCILIATION OF RESTATED NET-WORTH

(₹ In Lakhs)

| Particulars                            | For the period ended<br>September 30, 2023 | For the Year ended |                   |                   |
|--|--|--------------------|-------------------|-------------------|
|  |  | March 31,<br>2023  | March<br>31, 2022 | March<br>31, 2021 |
| Net worth as audited (a)               | 1,235.09                                   | 783.06             | 676.71            | 561.55            |
| Adjustments for:                       |  |                    |                   |                   |
| Opening Balance of Adjustments         | (19.53)                                    | (12.59)            | 53.24             |                   |
| Depreciation expenses previous year    | -  | -                  | -                 | 13.83             |
| Deferred tax expense of previous years | -  | -                  | -                 | 3.19              |
| Income tax expense of previous years   | -  | -                  | -                 | (2.83)            |
| Change in Profit/(Loss)                | (17.57)                                    | (6.94)             | (65.83)           | 39.05             |
| Closing Balance of Adjustments (b)     | (37.10)                                    | (19.53)            | (12.59)           | 53.24             |
| <b>Net worth as restated (a +b)</b>    | <b>1,197.99</b>                            | <b>763.53</b>      | <b>664.12</b>     | <b>614.79</b>     |

**Explanatory notes to the above restatements to networth made in the audited Financial Statements of the Company for the respective years:**

- Change in Profit/(Loss) : Refer Note 3 above
- Depreciation & Deferred tax: The Company had made short provision for depreciation and deferred tax of tax for earlier years which has now been restated and reclassified to the respective years. Hence, provision pertaining to the period on or before 31st March, 2019 has been debited to opening reserves.

#### 5. ADJUSTMENTS HAVING NO IMPACT ON NET WORTH AND PROFIT:

- Material Regrouping-** Appropriate regroupings 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 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).

#### ANNEXURE – V

#### DETAILS OF SHARE CAPITAL AS RESTATED

(₹ in Lakhs)

| Particulars   | As<br>September 30,<br>2023 | As at             |                   |                   |
|---|-----------------------------|-------------------|-------------------|-------------------|
|   |                             | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| <b>EQUITY SHARE CAPITAL:</b>  |                             |                   |                   |                   |
| <b>AUTHORISED:</b>  |                             |                   |                   |                   |
| Equity Shares of ₹ 10 each  | 2,000.00                    | 2,000.00          | 500.00            | 500.00            |
|   | 2,000.00                    | 2,000.00          | 500.00            | 500.00            |
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>   |                             |                   |                   |                   |
| Equity Shares of ₹ 10 each fully paid up                                      |                             |                   |                   |                   |
| i. 47,50,000 No of equity shares up to<br>December 2022, March 2022 & 2021.   | 475.00                      | 475.00            | 475.00            | 475.00            |
| ii. 40,00,000 No of equity shares up to<br>March 2020                         |                             |                   |                   |                   |
| <b>TOTAL</b>  | <b>475.00</b>               | <b>475.00</b>     | <b>475.00</b>     | <b>475.00</b>     |
|   |                             |                   |                   |                   |
| <b>Reconciliation of number of shares outstanding at the end of the year:</b> |                             |                   |                   |                   |
| Equity Shares at the beginning of the year                                    | 47,50,000                   | 47,50,000         | 47,50,000         | 40,00,000         |
| Add: Shares issued during the year  | -                           | -                 | -                 | 7,50,000          |
| Equity Shares at the end of the year  | 47,50,000                   | 47,50,000         | 47,50,000         | 47,50,000         |

**Note:**

- Terms/Rights attached to Equity Shares: The company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the

Company, the holders of equity share 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 held by the Shareholders.

- 2) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- 3) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.
- 4) *After the period ending on September 30, 2023, The Company by passing Board resolution dated October 28, 2023, and further by obtaining approval at the Extra Ordinary General Meeting held on October 30, 2023, has made Further Allotment of 71,25,000 Equity Shares of Face Value of Rs. 10/- each fully paid equity shares as Bonus Issue to its existing shareholders of the company in the ratio of 3:2 (on the basis of Fresh Three Equity Shares to be allotted to existing Two Equity Shares held by shareholders) by utilizing a sum of Rs. 7,12,50,000/- out of free reserves.*

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

| Name of Shareholders               | As at September 30,2023 |               | As at March 31, 2023 |               |
|------------------------------------|-------------------------|---------------|----------------------|---------------|
|                                    | No. of Shares Held      | % of Holding  | No. of Shares Held   | % of Holding  |
| <b>Equity Share Holders</b>        |                         |               |                      |               |
| Mr. Mahesh Kumar Sanwormal Agarwal | 13,53,300               | 28.49%        | 13,53,300            | 28.49%        |
| Mrs. Sharda Mahesh Kumar Agarwal   | 17,60,000               | 37.05%        | 17,60,000            | 37.05%        |
| Mrs. Sharda Devi Sanwormal Agarwal | 3,30,000                | 6.95%         | 3,30,000             | 6.95%         |
| Mrs. Anita Uma Shankar Agarwal     | 6,85,000                | 14.42%        | 6,85,000             | 14.42%        |
|                                    | <b>41,28,300</b>        | <b>86.91%</b> | <b>41,28,300</b>     | <b>86.91%</b> |

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

| Name of Shareholders               | As at March 31, 2022 |               | As at March 31, 2021 |               |
|------------------------------------|----------------------|---------------|----------------------|---------------|
|                                    | No. of Shares Held   | % of Holding  | No. of Shares Held   | % of Holding  |
| <b>Equity Share Holders</b>        |                      |               |                      |               |
| Mr. Mahesh Kumar Sanwormal Agarwal | 12,93,300            | 27.23%        | 7,93,300             | 16.70%        |
| Mrs. Anita Uma Shankar Agarwal     | 6,85,000             | 14.42%        | 6,85,000             | 14.42%        |
| Mrs. Sharda Mahesh Kumar Agarwal   | 17,60,000            | 37.05%        | 16,30,000            | 34.32%        |
| Mrs. Sharda Devi Sanwormal Agarwal | 3,30,000             | 6.95%         | 3,30,000             | 6.95%         |
|                                    | <b>40,68,300</b>     | <b>85.65%</b> | <b>34,38,300</b>     | <b>72.39%</b> |

**Details of equity shares held by promoters:**

| Name of Promoter                   | As at September 30,2023 |              | % Change during the year |
|------------------------------------|-------------------------|--------------|--------------------------|
|                                    | No. of Shares Held      | % of Holding |                          |
| Mr. Uma Shankar Sanwormal Agarwal  | 1,77,100.00             | 4.29%        | 0.00%                    |
| Mr. Mahesh Kumar Sanwormal Agarwal | 2,93,300.00             | 27.23%       | (4.10%)                  |
| Mrs. Anita Uma Shankar Agarwal     | 6,85,000.00             | 14.42%       | (2.17%)                  |

**Details of equity shares held by promoters:**

| Name of Promoter                   | As at March 31, 2023 |              | % Change during the year |
|------------------------------------|----------------------|--------------|--------------------------|
|                                    | No. of Shares Held   | % of Holding |                          |
| Mr. Uma Shankar Sanwormal Agarwal  | 1,77,100.00          | 4.29%        | (0.06%)                  |
| Mr. Mahesh Kumar Sanwormal Agarwal | 12,93,300.00         | 31.33%       | (0.46%)                  |
| Mrs. Anita Uma Shankar Agarwal     | 6,85,000.00          | 16.59%       | (0.24%)                  |

**Details of equity shares held by promoters:**

| Name of Promoter                   | As at March 31, 2022 |              | % Change during the year |
|------------------------------------|----------------------|--------------|--------------------------|
|                                    | No. of Shares Held   | % of Holding |                          |
| Mr. Uma Shankar Sanwormal Agarwal  | 1,77,100.00          | 4.35%        | 2.69%                    |
| Mr. Mahesh Kumar Sanwormal Agarwal | 12,93,300.00         | 31.79%       | 8.72%                    |
| Mrs. Anita Uma Shankar Agarwal     | 6,85,000.00          | 16.84%       | -3.09%                   |

**Details of equity shares held by promoters:**

| Name of Promoter                   | As at March 31, 2021 |              | % Change during the year |
|------------------------------------|----------------------|--------------|--------------------------|
|                                    | No. of Shares Held   | % of Holding |                          |
| Mr. Uma Shankar Sanwormal Agarwal  | 57,100.00            | 1.66%        | 0.00%                    |
| Mr. Mahesh Kumar Sanwormal Agarwal | 7,93,300.00          | 23.07%       | 0.00%                    |
| Mrs. Anita Uma Shankar Agarwal     | 6,85,000.00          | 19.92%       | 0.00%                    |

**ANNEXURE -VI****DETAILS OF RESERVE & SURPLUS AS RESTATED****(₹ In Lakhs)**

| Particulars                                     | As at September 30, 2023 | As at          |                |                |
|---|--------------------------|----------------|----------------|----------------|
|   |                          | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| <u>Balance in profit &amp; Loss A/c</u>         |                          |                |                |                |
| Opening Balance                                 | 288.51                   | 189.11         | 139.79         | 104.86         |
| Depreciation expenses previous year             | -                        | -              | -              | 13.83          |
| Deferred tax expense of previous years          | -                        | -              | -              | 3.19           |
| Income tax expense of previous years            | -                        | -              | -              | -2.83          |
| Add: Net profit / (Loss) after Tax for the year | 434.47                   | 99.40          | 49.32          | 20.74          |
| <b>TOTAL</b>                                    | <b>722.98</b>            | <b>288.51</b>  | <b>189.11</b>  | <b>139.79</b>  |

*Note: After the period ending on September 30, 2023, The Company by passing Board resolution dated October 28, 2023, and further by obtaining approval at the Extra Ordinary General Meeting held on October 30, 2023, has made Further Allotment of 71,25,000 Equity Shares of Face Value of Rs. 10/- each fully paid equity shares as Bonus Issue to its existing shareholders of the company in the ratio of 3:2 (on the basis of Fresh Three Equity Shares to be allotted to existing Two Equity Shares held by shareholders) by utilizing a sum of Rs. 7,12,50,000/- out of free reserves.*

**ANNEXURE -VII****DETAILS OF LONG-TERM BORROWINGS AS RESTATED****(₹ In Lakhs)**

| Particulars                                 | As at September 30, 2023 | As at          |                |                |
|---|--------------------------|----------------|----------------|----------------|
|   |                          | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| <b>Secured</b>                              |                          |                |                |                |
| a. From Bank                                |                          |                |                |                |
| - Term loan                                 | 1253.82                  | 1091.82        | 946.38         | 360.28         |
| - Vehicle loan                              | 35.81                    | 29.18          | 47.32          | 26.38          |
| - Working capital demand loan               | -                        | -              | -              | -              |
| - Emergency credit line                     | 111.58                   | 230.28         | 290.29         | 134.45         |
| b. From Non - Banking Financial institution |                          |                |                |                |
| - Term loan                                 | 44.59                    | 52.94          | 48.06          | 614.65         |
| - Vehicle loan                              | -                        | -              | 1.62           | 3.07           |

|                              |                |                 |                 |                 |
|------------------------------|----------------|-----------------|-----------------|-----------------|
|                              |                |                 |                 |                 |
| <b>Unsecured</b>             |                |                 |                 |                 |
| a. Loan from Related parties |                |                 |                 |                 |
| - Director's loan & others   | 11.44          | 93.60           | 211.38          | 198.94          |
|                              |                |                 |                 |                 |
| <b>TOTAL</b>                 | <b>1457.24</b> | <b>1,497.82</b> | <b>1,545.05</b> | <b>1,337.77</b> |

| Name of Lender               | Nature of Facility | Purpose   | Sanctioned Amount (In Lakhs Rs.) | Securities offered                                   | Rate of Interest | Outstanding amount (In Lakhs Rs.) as on (as per Books) |                |                 |               |
|------------------------------|--------------------|-----------|----------------------------------|--|------------------|--|----------------|-----------------|---------------|
|                              |                    |           |                                  |  |                  | 30-Sep-2023  | 31-Mar-2023    | 31-Mar-2022     | 31-Mar-2021   |
| Au Small finance Bank        | Term Loan          | Long Term | 400                              | Secured By S-9A, Gopalpura Bypass Jaipur             | 9.75             | 282.38   | 299.51         | 331.37          | 360.28        |
| Au Small finance Bank        | WCTL               | Long Term | 200                              | Secured By S-9A, Gopalpura Bypass Jaipur             | 8.5              | 169.3346   | 0              | 84.69063        | 0             |
| HDFC Bank Ltd                | Term Loan          | Long Term | 575                              | Secured By RIICO F-2236 (UNIT-II)                    | 7                | 462.47   | 485.86         | 530.33          | 0             |
| HDFC Bank Ltd                | Working Capital    | Long Term | 75                               | Secured By RIICO F-2264 (UNIT-I)                     | 8.85             | 0  | 0              | 0               | 0             |
| SIDBI                        | Term Loan          | Long Term | 481.64                           | Secured By STDR 132.00 Lakh & P&M of F-2236 (UNITII) | 8.25             | 339.64   | 306.45         | 0               | 0             |
| <b>TOTAL</b>                 |                    |           |                                  |  |                  | <b>1253.825</b>  | <b>1091.82</b> | <b>946.3906</b> | <b>360.28</b> |
| <b>VEHICLE LOAN</b>          |                    |           |                                  |  |                  |  |                |                 |               |
| HDFC Bank Ltd                | Term Loan          | Long Term | 15.651                           | Secured By_Eicher2110                                | 9.26             | 28.58  | 0              | 0               | 0             |
| HDFC Bank Ltd                | Term Loan          | Long Term | 20.41                            | Secured By_Tata truck                                | 7.19             |  | 12.47          | 16.29           | 0             |
| HDFC Bank Ltd                | Term Loan          | Long Term | 13.96                            | Secured By_Verna Car                                 | 8.65             | 0  | 7.41           | 10.11           | 0             |
| HDFC Bank Ltd                | Term Loan          | Long Term | 31.4                             | Secured By_Audi car                                  | 8                | 0  | 0              | 7.72            | 9.59          |
| HDFC Bank Ltd                | Term Loan          | Long Term | 13.11                            | Secured By_Eicher1110                                | 8.5              | 0  | 0              | 0               | 0             |
| Axis Bank Ltd                | Term Loan          | Long Term | 14.33                            | Secured By_KIA Car                                   | 8.01             | 7.23   | 8.27           | 10.19           | 11.98         |
| Axis Bank Ltd                | Term Loan          | Long Term | 8.65                             | Secured By_Breeza Car                                | 9.46             | 0  | 1.03           | 3.01            | 4.81          |
| <b>TOTAL</b>                 |                    |           |                                  |  |                  | <b>35.81</b>   | <b>29.18</b>   | <b>47.32</b>    | <b>26.38</b>  |
| <b>EMERGENCY CREDIT LINE</b> |                    |           |                                  |  |                  |  |                |                 |               |



| Name of Lender        | Nature of Facility | Purpose   | Sanctioned Amount (In Lakhs Rs.) | Securities offered                                  | Rate of Interest | Outstanding amount (In Lakhs Rs.) as on (as per Books) |                 |                 |               |
|-----------------------|--------------------|-----------|----------------------------------|---|------------------|--|-----------------|-----------------|---------------|
|                       |                    |           |                                  |   |                  | 30-Sep-2023  | 31-Mar-2023     | 31-Mar-2022     | 31-Mar-2021   |
| Au Small finance Bank | Term Loan          | Long Term | 100                              | 100% guarantee NCGTC Member Lending Institutions to | 9.75             | 19.2   | 100             | 100.7708        | 0             |
| HDFC Bank Ltd         | Term Loan          | Long Term | 100                              | 100% guarantee NCGTC Member Lending Institutions to | 8.85             | 92.38  | 110.2           | 0               | 0             |
| HDFC Bank Ltd         | Term Loan          | Long Term | 123.33                           | 100% guarantee NCGTC Member Lending Institutions to | 8.85             | 0  | 17.26           | 0               | 0             |
| HDFC Bank Ltd         | Term Loan          | Long Term | 5                                | 100% guarantee NCGTC Member Lending Institutions to | 8.25             | 0  | 2.81338         | 0               | 0             |
| State Bank of India   | WCTL               | Long Term | 185                              | 100% guarantee NCGTC Member Lending Institutions to | 7.4              | 0  | 0               | 72.78           | 134.45        |
| State Bank of India   | WCTL               | Long Term | 116                              | 100% guarantee NCGTC Member Lending Institutions to | 7.4              | 0  | 0               | 116.73          | 0             |
| <b>TOTAL</b>          |                    |           |                                  |   |                  | <b>111.58</b>  | <b>230.2734</b> | <b>290.2808</b> | <b>134.45</b> |
|                       |                    |           |                                  |   |                  |  |                 |                 |               |
| <b>NBFC TERM LOAN</b> |                    |           |                                  |   |                  |  |                 |                 |               |
| Aditya Birla Finance  | Term Loan          | Long Term | 600                              | Secured By RIICO F-2236 (UNIT-II)                   | 10.9             | 0  | 0               | 0               | 573.44        |
| ECL Finance Ltd       | Term Loan          | Long Term | 49.5                             | Secured by Property at Sunny Mart Jaipur            | 13               | 30.91  | 33.24           | 37.47           | 41.21         |
| Tata Capital          | Term Loan          | Long Term | 35                               | BUSINESS LOAN-Unsecured                             | 17               | 13.68  | 19.7            | 10.59           | 0             |

| Name of Lender                                | Nature of Facility | Purpose            | Sanctioned Amount (In Lakhs Rs.) | Securities offered                      | Rate of Interest | Outstanding amount (In Lakhs Rs.) as on (as per Books) |             |             |             |
|---|--------------------|--------------------|----------------------------------|---|------------------|--|-------------|-------------|-------------|
|   |                    |                    |                                  |   |                  | 30-Sep-2023  | 31-Mar-2023 | 31-Mar-2022 | 31-Mar-2021 |
|   |                    |                    |                                  |   | TOTAL            | 44.59  | 52.94       | 48.06       | 614.65      |
| <b>NBFC VEHICLE L+A680AN</b>                  |                    |                    |                                  |   |                  |  |             |             |             |
| Mahindra and Mahindra Financial services Ltd  | Term Loan          | Long Term          | 6.6                              | Auto Loan                               | 10.8             | 0  | 0           | 1.62        | 3.07        |
| <b>TOTAL</b>                                  |                    |                    |                                  |   |                  | <b>0</b>   | <b>0</b>    | <b>1.62</b> | <b>3.07</b> |
| <b>Short term_ Current maturities Of Loan</b> |                    |                    |                                  |   |                  |  |             |             |             |
| HDFC Bank Ltd                                 | Term Loan          | Current maturities | 575                              | F-2236                                  | 7                | 42.89  | 44.4        | 44.73       | 0           |
| HDFC Bank Ltd                                 | Term Loan          | Long Term          | 15.651                           | Eicher2110                              | 9.26             | 11.47  | 2.7         |             |             |
| HDFC Bank Ltd                                 | Term Loan          | Long Term          | 20.41                            | Tata truck                              | 7.19             |  | 3.82        | 3.56        |             |
| HDFC Bank Ltd                                 | Term Loan          | Long Term          | 13.96                            | Verna                                   | 8.65             |  |             | 2.49        |             |
| Axis Bank Ltd                                 | Term Loan          | Long Term          | 8.65                             | Breeza                                  | 9.46             |  | 1.98        | 1.8         | 1.64        |
| Tata Capital                                  | Term Loan          | Long Term          | 35                               | BUSINESS LOAN                           | 17               | 11.55663   | 10.62       | 8.21        |             |
| Mahindra and Mahindra Financial services Ltd  | Term Loan          | Long Term          | 6.6                              | Auto Loan                               | 10.8             | 0.831102   | 1.62        | 1.45        | 1.3         |
| ECL Finance Ltd                               | Term Loan          | Long Term          | 49.5                             | Secured by Shop @ Sunny Mart_Jaipur     | 13               | 4.52584  | 4.25        | 3.73        | 3.28        |
| HDFC Bank Ltd                                 | Term Loan          | Long Term          | 123.33                           | GECL                                    | 8.85             | 47.51767   | 59.21       |             |             |
| HDFC Bank Ltd                                 | Term Loan          | Long Term          | 100                              | GECL                                    | 8.85             | 24.51461   | 6.69        |             |             |
| Au Small finance Bank                         | Term Loan          | Long Term          | 400                              | Secured On F-2236                       | 9.75             | 33.44502   | 31.86       | 28.91       | 26.24       |
| Au Small finance Bank                         | Term Loan          | Long Term          | 100                              | GECL                                    | 9.75             | 80.8   | 0           |             |             |
| Axis Bank Ltd                                 | Term Loan          | Long Term          | 14.33                            | KIA                                     | 8.01             | 2.01327  | 1.93        | 1.79        | 1.65        |
| SIDBI   | Term Loan          | Long Term          | 481.64                           | FD 132 Lakh/F-2236 Plant & Machinery II | 8.25             | 106.92   | 89.1        |             |             |

| Name of Lender                             | Nature of Facility | Purpose    | Sanctioned Amount (In Lakhs Rs.) | Securities offered                                     | Rate of Interest | Outstanding amount (In Lakhs Rs.) as on (as per Books) |                 |                 |                 |
|--|--------------------|------------|----------------------------------|--|------------------|--|-----------------|-----------------|-----------------|
|  |                    |            |                                  |  |                  | 30-Sep-2023  | 31-Mar-2023     | 31-Mar-2022     | 31-Mar-2021     |
| HDFC Bank Ltd                              | Term Loan          | Long Term  | 31.4                             | Audi car   | 8                |  |                 | 1.43            | 7.2             |
| State Bank of India                        | WCTL               | Long Term  | 185                              | GECL   | 7.4              |  |                 | 61.67           | 51.71           |
| Aditya Birla Finance                       | Term Loan          | Long Term  | 600                              | Secured On F-2236                                      | 10.9             |  |                 |                 | 26.36           |
| HDFC Bank Ltd                              | Term Loan          | Long Term  | 13.11                            | Eicher1110   | 8.5              |  |                 |                 | 3.7             |
| State Bank of India                        | Term Loan          | Long Term  | 355                              | SBI T/L F-2264 Plant & Machinery                       | 11.25            |  |                 |                 | 3.1             |
| HDFC Bank Ltd                              | Working Capital    | Short term | 75                               | WCDL   | 8.85             |  | 75              |                 |                 |
| <b>TOTAL</b>                               |                    |            |                                  |  |                  | <b>366.4841</b>  | <b>333.18</b>   | <b>159.77</b>   | <b>126.18</b>   |
| <b>Short term channel finance facility</b> |                    |            |                                  |  |                  |  |                 |                 |                 |
| State Bank of India                        | Working Capital    | Short term | 100                              | C/F saint gobain                                       | 8.15             | 0  | 0               | 99.46017        | 100.0005        |
| State Bank of India                        | Working Capital    | Short term | 100                              | C/F HNG  | 8.15             | 0  | 0               | 87.99135        | 87.74301        |
| <b>TOTAL</b>                               |                    |            |                                  |  |                  | <b>0</b>   | <b>0</b>        | <b>187.4515</b> | <b>187.7435</b> |
| <b>Cash Credit Facility</b>                |                    |            |                                  |  |                  |  |                 |                 |                 |
| State Bank of India                        | Cash Credit        | Short term | 750                              | Secured On F-2264, 70-Sonabari Home, Plot At Jagatpura | 10.55            | 0  | 0               | 710.4375        | 671.7123        |
| State Bank of India                        | Working Capital    | Short term | 50                               | SLC  | 8.15             | 0  | 0               | 39.21689        | 0               |
| HDFC Bank Ltd                              | Cash Credit        | Short term | 1100                             | Secured On F-2264, F-2236                              |                  | 1090.148   | 1027.163        | 0               | 0               |
| HDFC Credit card                           | Term Loan          | Short term | 5                                |  |                  | 4.968924   | 3.13821         | 0               | 0               |
| HDFC Credit card                           | Term Loan          | Short term | 19.5                             | Un-Secured   |                  | 18.71216   | 15.38121        | 0               | 0               |
| SIDBI                                      | Term Loan          | Long Term  | 481.64                           | FD 132 Lakh/F-2236 Plant & Machinery II                | 8.25             |  |                 | 0               | 0               |
| <b>TOTAL</b>                               |                    |            |                                  |  |                  | <b>1113.829</b>  | <b>1045.682</b> | <b>749.65</b>   | <b>671.7123</b> |

**ANNEXURE -VIII****DETAILS OF OTHER NON-CURRENT LIABILITIES****(₹ In Lakhs)**

| Particulars             | As at<br>September<br>30, 2023 | As at             |                   |                   |
|-------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                         |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Advances from Customers | 156.01                         | 133.22            | 64.08             | 91.56             |
|                         |                                |                   |                   |                   |
| <b>TOTAL</b>            | <b>156.01</b>                  | <b>133.22</b>     | <b>64.08</b>      | <b>91.56</b>      |

**ANNEXURE –IX****DETAILS OF SHORT-TERM BORROWINGS AS RESTATED****(₹ In Lakhs)**

| Particulars                                | As at<br>September<br>30, 2023 | As at             |                   |                   |
|--|--------------------------------|-------------------|-------------------|-------------------|
|  |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| <b><u>Secured *</u></b>                    |                                |                   |                   |                   |
| Cash credit facility                       | 1,113.82                       | 1,045.68          | 749.65            | 671.71            |
| Channel finance facility                   | -                              | -                 | 187.45            | 187.74            |
| Current Maturities of Long-Term borrowings | 366.48                         | 333.18            | 159.77            | 126.18            |
| <b>TOTAL</b>                               | <b>1,480.30</b>                | <b>1,378.86</b>   | <b>1,096.87</b>   | <b>985.63</b>     |

Note : \*Secured by way of first charge on fixed assets of the company including equitable mortgage of land & building of the company situated at F-2264 Ramchandrapura Industrial area, Sitapura Extn. And Plot no. 27, Yojna no. 15, Ganga ram Nagar, Gopalpura Bypass Jaipur and second charge on the assets of the company & personal guarantee of the directors.

**ANNEXURE –X****DETAILS OF TRADE PAYABLES AS RESTATED****(₹ In Lakhs)**

| Particulars                                | As at<br>September<br>30, 2023 | As at             |                   |                   |
|--|--------------------------------|-------------------|-------------------|-------------------|
|  |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Due to Micro, Small and Medium Enterprises | 22.63                          | 23.67             | 20.85             | 230.70            |
| Due to Others                              | 197.92                         | 128.03            | 101.72            | 120.79            |
| <b>TOTAL</b>                               | <b>220.55</b>                  | <b>151.70</b>     | <b>122.57</b>     | <b>351.49</b>     |

**ANNEXURE –XI****DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED****(₹ In Lakhs)**

| Particulars                 | As at<br>September<br>30, 2023 | As at             |                   |                   |
|-----------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                             |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Employee benefit payable    | 30.47                          | 24.37             | 21.32             | 16.53             |
| Security Deposit            | 3.50                           | 3.50              | 8.50              | 8.50              |
| Advances from Customers     | -                              | -                 | -                 | -                 |
| Interest Payable            | -                              | 8.54              | 2.49              | 0.56              |
| Statutory Dues payable      | 24.20                          | 25.78             | 40.63             | 21.49             |
| Expense payable             | -                              | 21.27             | 19.55             | 18.20             |
| Creditors for capital goods | -                              | -                 | 5.48              | 85.99             |
| <b>TOTAL</b>                | <b>58.17</b>                   | <b>83.46</b>      | <b>97.97</b>      | <b>151.27</b>     |

# ANNEXURE -XII

## DETAILS OF SHORT-TERM PROVISIONS AS RESTATED

(₹ In Lakhs)

| Particulars            | As at              | As At          |                |                |
|------------------------|--------------------|----------------|----------------|----------------|
|                        | September 30, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Provision for Taxation | 196.93             | 44.38          | 28.44          | 3.86           |
| Audit Fees Payable     | 0.15               | 0.30           | 0.20           | 0.25           |
| Provision for expenses | 6.97               | 6.97           | -              | -              |
| <b>TOTAL</b>           | <b>204.05</b>      | <b>51.65</b>   | <b>28.64</b>   | <b>4.11</b>    |

# ANNEXURE -XIII

## DETAILS OF PROPERTY, PLANT & EQUIPMENT, AND INTANGIBLE ASSETS AS RESTATED

(₹ In Lakhs)

| Particulars                                   | GROSS BLOCK      |              |             |                   | DEPRECIATION     |                |             |                  | NET BLOCK         |                   |
|---|------------------|--------------|-------------|-------------------|------------------|----------------|-------------|------------------|-------------------|-------------------|
|   | AS AT 01.04.2023 | ADDIT IONS   | DEDUC TIONS | AS AT 30.09. 2023 | UPTO 01.04. 2023 | For the period | DEDUC TIONS | UPTO 30.09. 2023 | AS AT 30.09. 2023 | AS AT 31.03. 2022 |
|   |                  |              |             |                   |                  |                |             |                  |                   |                   |
| <b><u>Property, Plant &amp; Equipment</u></b> |                  |              |             |                   |                  |                |             |                  |                   |                   |
| Land  | 424.48           | -            | -           | 424.48            | -                | -              | -           | -                | 424.48            | 424.48            |
| Computers                                     | 7.13             | -            | -           | 7.13              | 6.55             | 0.10           | -           | 6.65             | 0.48              | 0.58              |
| Furniture                                     | 21.68            | -            | -           | 21.68             | 12.15            | 1.24           | -           | 13.39            | 8.29              | 9.53              |
| Building                                      | 1,028.12         | -            | -           | 1,028.12          | 250.43           | 37.04          | -           | 287.47           | 740.65            | 777.69            |
| Office Equipment                              | 11.79            | 1.23         | -           | 13.02             | 10.47            | 0.46           | -           | 10.93            | 2.09              | 1.32              |
| Vehicle                                       | 130.79           | 16.90        | -           | 147.69            | 96.56            | 7.43           | -           | 103.99           | 43.70             | 34.23             |
| Plant & Machinery                             | 778.28           | -            | -           | 778.28            | 450.96           | 29.70          | -           | 480.66           | 297.62            | 327.32            |
|   |                  |              |             |                   |                  |                |             |                  |                   |                   |
| <b>Total</b>                                  | <b>2,402.27</b>  | <b>18.13</b> | <b>-</b>    | <b>2,420.40</b>   | <b>827.12</b>    | <b>75.97</b>   | <b>-</b>    | <b>903.09</b>    | <b>1,517.31</b>   | <b>1,575.15</b>   |

(₹ In Lakhs)

| Particulars                                   | GROSS BLOCK      |            |             |                   | DEPRECIATION     |              |             |                  | NET BLOCK         |                   |
|---|------------------|------------|-------------|-------------------|------------------|--------------|-------------|------------------|-------------------|-------------------|
|   | AS AT 01.04.2022 | ADDIT IONS | DEDUC TIONS | AS AT 31.03. 2023 | UPTO 01.04. 2022 | FOR THE YEAR | DEDUC TIONS | UPTO 31.03. 2023 | AS AT 31.03. 2023 | AS AT 31.03. 2022 |
|   |                  |            |             |                   |                  |              |             |                  |                   |                   |
| <b><u>Property, Plant &amp; Equipment</u></b> |                  |            |             |                   |                  |              |             |                  |                   |                   |
| Land  | 424.48           | -          | -           | 424.48            | -                | -            | -           | -                | 424.48            | 424.48            |
| Computers                                     | 6.95             | 0.18       | -           | 7.13              | 6.13             | 0.42         | -           | 6.55             | 0.58              | 0.82              |
| Furniture                                     | 21.68            | -          | -           | 21.68             | 8.82             | 3.33         | -           | 12.15            | 9.53              | 12.86             |

|                   |                 |             |          |                 |               |               |          |               |                 |                 |
|-------------------|-----------------|-------------|----------|-----------------|---------------|---------------|----------|---------------|-----------------|-----------------|
| Building          | 1,028.12        | -           | -        | 1,028.12        | 168.79        | 81.64         | -        | 250.43        | 777.69          | 859.33          |
| Office Equipment  | 11.22           | 0.57        | -        | 11.79           | 9.72          | 0.75          | -        | 10.47         | 1.32            | 1.50            |
| Vehicle           | 130.79          | -           | -        | 130.79          | 81.01         | 15.55         | -        | 96.56         | 34.23           | 49.78           |
| Plant & Machinery | 778.14          | 0.14        | -        | 778.28          | 378.63        | 72.33         | -        | 450.96        | 327.32          | 399.51          |
|                   |                 |             |          |                 |               |               |          |               |                 |                 |
| <b>Total</b>      | <b>2,401.38</b> | <b>0.89</b> | <b>-</b> | <b>2,402.27</b> | <b>653.10</b> | <b>174.02</b> | <b>-</b> | <b>827.12</b> | <b>1,575.15</b> | <b>1,748.28</b> |

(₹ In Lakhs)

| Particulars                                   | GROSS BLOCK      |               |             |                   | DEPRECIATION     |                 |             |                  | NET BLOCK         |                   |
|---|------------------|---------------|-------------|-------------------|------------------|-----------------|-------------|------------------|-------------------|-------------------|
|   | AS AT 01.04.2021 | ADDIT IONS    | DEDUC TIONS | AS AT 31.03. 2022 | UPTO 01.04. 2021 | FO R TH E YE AR | DEDUC TIONS | UPTO 31.03. 2022 | AS AT 31.03. 2022 | AS AT 31.03. 2021 |
|   |                  |               |             |                   |                  |                 |             |                  |                   |                   |
| <b><u>Property, Plant &amp; Equipment</u></b> |                  |               |             |                   |                  |                 |             |                  |                   |                   |
| Land  | 424.48           | -             | -           | 424.48            | -                | -               | -           | -                | 424.48            | 424.48            |
| Computers                                     | 5.41             | 1.54          | -           | 6.95              | 4.98             | 1.15            | -           | 6.13             | 0.82              | 0.43              |
| Furniture                                     | 9.57             | 12.11         | -           | 21.68             | 4.67             | 4.15            | -           | 8.82             | 12.86             | 4.90              |
| Building                                      | 497.70           | 530.42        | -           | 1,028.12          | 82.70            | 86.09           | -           | 168.79           | 859.33            | 415.00            |
| Office Equipment                              | 9.13             | 2.09          | -           | 11.22             | 7.60             | 2.12            | -           | 9.72             | 1.50              | 1.53              |
| Vehicle                                       | 100.73           | 30.06         | -           | 130.79            | 61.18            | 19.83           | -           | 81.01            | 49.78             | 39.55             |
| Plant & Machinery                             | 765.19           | 12.95         | -           | 778.14            | 288.55           | 90.08           | -           | 378.63           | 399.51            | 476.64            |
|   | -                | -             | -           | -                 | -                | -               | -           | -                | -                 | -                 |
| <b>Total</b>                                  | <b>1,812.21</b>  | <b>589.17</b> | <b>-</b>    | <b>2,401.38</b>   | <b>449.68</b>    | <b>203.42</b>   | <b>-</b>    | <b>653.10</b>    | <b>1,748.28</b>   | <b>1,362.53</b>   |

(₹ In Lakhs)

| Particulars                                   | GROSS BLOCK      |            |             |                   | DEPRECIATION     |                 |             |                  | NET BLOCK         |                   |
|---|------------------|------------|-------------|-------------------|------------------|-----------------|-------------|------------------|-------------------|-------------------|
|   | AS AT 01.04.2020 | ADDIT IONS | DEDUC TIONS | AS AT 31.03. 2021 | UPTO 01.04. 2020 | FO R TH E YE AR | DEDUC TIONS | UPTO 31.03. 2021 | AS AT 31.03. 2021 | AS AT 31.03. 2020 |
|   |                  |            |             |                   |                  |                 |             |                  |                   |                   |
| <b><u>Property, Plant &amp; Equipment</u></b> |                  |            |             |                   |                  |                 |             |                  |                   |                   |
| Land  | 424.48           | -          | -           | 424.48            | -                | -               | -           | -                | 424.48            | 424.48            |
| Computers                                     | 5.08             | 0.33       | -           | 5.41              | 4.78             | 0.20            | -           | 4.98             | 0.43              | 0.30              |

| Particulars       | GROSS BLOCK      |               |             |                   | DEPRECIATION     |                 |             |                  | NET BLOCK         |                   |
|-------------------|------------------|---------------|-------------|-------------------|------------------|-----------------|-------------|------------------|-------------------|-------------------|
|                   | AS AT 01.04.2020 | ADDIT IONS    | DEDUC TIONS | AS AT 31.03. 2021 | UPTO 01.04. 2020 | FO R TH E YE AR | DEDUC TIONS | UPTO 31.03. 2021 | AS AT 31.03. 2021 | AS AT 31.03. 2020 |
| Furniture         | 7.71             | 1.86          | -           | 9.57              | 3.45             | 1.22            | -           | 4.67             | 4.90              | 4.26              |
| Building          | 213.63           | 284.07        | -           | 497.70            | 62.83            | 19.87           | -           | 82.70            | 415.00            | 150.80            |
| Office Equipme nt | 8.34             | 0.79          | -           | 9.13              | 6.79             | 0.81            | -           | 7.60             | 1.53              | 1.55              |
| Vehicle           | 86.47            | 14.26         | -           | 100.73            | 46.80            | 14.38           | -           | 61.18            | 39.55             | 39.67             |
| Plant & Machinery | 481.79           | 283.40        | -           | 765.19            | 232.97           | 55.58           | -           | 288.55           | 476.64            | 248.82            |
|                   |                  |               |             |                   |                  |                 |             |                  |                   |                   |
| <b>Total</b>      | <b>1,227.50</b>  | <b>584.71</b> | <b>-</b>    | <b>1,812.21</b>   | <b>357.62</b>    | <b>92.06</b>    | <b>-</b>    | <b>449.68</b>    | <b>1,362.53</b>   | <b>869.88</b>     |

#### ANNEXURE -XIV

#### DETAILS OF CAPITAL WORK IN PROGRESS

(₹ In Lakhs)

| Particulars                                | Opening balance  | Addition / Deduction |               | Closing Balance  |
|--|------------------|----------------------|---------------|------------------|
|  | As at 01.04.2023 | Addition             | Put to use    | As at 30.09.2023 |
| <u>Project 3 (Factory building F-2236)</u> |                  |                      |               |                  |
| Building                                   | 84.38            | 35.80                | -             | 120.18           |
| Plant & Machinery                          | 95.80            | 336.93               | -             | 432.73           |
|  |                  |                      |               |                  |
| <b>Total</b>                               | <b>180.18</b>    | <b>372.73</b>        | <b>-</b>      | <b>552.91</b>    |
|  |                  |                      |               |                  |
| Particulars                                | Opening balance  | Addition / Deduction |               | Closing Balance  |
|  | As at 01.04.2022 | Addition             | Put to use    | As at 31.03.2023 |
| -  |                  |                      |               |                  |
| <u>Project 3 (Factory building F-2236)</u> |                  |                      |               |                  |
| Building                                   | -                | 84.38                | -             | 84.38            |
| Plant & Machinery                          | -                | 95.80                | -             | 95.80            |
|  |                  |                      |               |                  |
| <b>Total</b>                               | <b>-</b>         | <b>180.18</b>        | <b>-</b>      | <b>180.18</b>    |
|  |                  |                      |               |                  |
| Particulars                                | Opening balance  | Addition / Deduction |               | Closing Balance  |
|  | As at 01.04.2021 | Addition             | Put to use    | As at 31.03.2022 |
| <u>Project 2 (Restaurant S.No - S9A)</u>   |                  |                      |               |                  |
| Building                                   | 522.81           | -                    | 522.81        | -                |
|  |                  |                      |               |                  |
| <b>Total</b>                               | <b>522.81</b>    | <b>-</b>             | <b>522.81</b> | <b>-</b>         |
|  |                  |                      |               |                  |
| Particulars                                | Opening balance  | Addition / Deduction |               | Closing Balance  |
|  | As at 01.04.2020 | Addition             | Put to use    | As at 31.03.2021 |

|  |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
|  |               |               |               |               |
| <u>Project 1 (Factory building F-2236)</u> |               |               |               |               |
| Building                                   | 271.40        | 12.67         | 284.07        | -             |
| Office Equipment                           | 263.64        | 19.75         | 283.40        | -             |
| Plant & Machinery                          | 0.51          | -             | 0.51          | -             |
|  |               |               |               |               |
| <u>Project 2 (Restaurant S.No - S9A)</u>   |               |               |               |               |
| Building                                   | -             | 522.81        | -             | 522.81        |
|  |               |               |               |               |
| <b>Total</b>                               | <b>535.54</b> | <b>555.23</b> | <b>567.97</b> | <b>522.81</b> |

#### ANNEXURE –XV

##### DETAILS OF DEFERRED TAX ASSET (NET) AS RESTATED

(₹ In Lakhs)

| Particulars   | As at<br>September<br>30, 2023 | As at             |                   |                   |
|---|--------------------------------|-------------------|-------------------|-------------------|
|   |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Opening Balance   |                                |                   |                   |                   |
| Add: Deferred Tax Credit/(Expense) for the year (Timing difference between book and tax depreciation) | 29.95                          | 30.04             | 17.08             | 4.86              |
| <b>TOTAL</b>  | <b>29.95</b>                   | <b>30.04</b>      | <b>17.08</b>      | <b>4.86</b>       |

#### ANNEXURE –XVI

##### DETAILS OF LONG-TERM LOANS & ADVANCES AS RESTATED

(₹ In Lakhs)

| Particulars                  | As at<br>September<br>30, 2023 | As at             |                   |                   |
|------------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                              |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Advance Tax & TDS receivable | 10.70                          | 9.22              | 8.34              | 1.22              |
|                              |                                |                   |                   |                   |
| <b>TOTAL</b>                 | <b>10.70</b>                   | <b>9.22</b>       | <b>8.34</b>       | <b>1.22</b>       |

#### ANNEXURE -XVII

##### DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED

(₹ In Lakhs)

| Particulars  | As at<br>September 30,<br>2023 | As at             |                   |                   |
|--|--------------------------------|-------------------|-------------------|-------------------|
|  |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Fixed Deposit Balance with Bank (Fixed Deposits Balances (includes fixed deposits having maturity of more than 3 months with remaining maturity of more than 12 month) | -                              | -                 | -                 | -                 |
| Security deposits  | 30.46                          | 20.83             | 20.83             | 21.33             |
| <b>TOTAL</b>   | <b>30.46</b>                   | <b>20.83</b>      | <b>20.83</b>      | <b>21.33</b>      |

#### ANNEXURE -XVIII

##### DETAILS OF INVENTORIES AS RESTATED

(₹ In Lakhs)

| Particulars |  | As at |
|-------------|--|-------|
|-------------|--|-------|



|                  | As at<br>September 30,<br>2023 | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
|------------------|--------------------------------|-------------------|-------------------|-------------------|
| Raw material     | 883.62                         | 654.66            | 428.85            | 298.91            |
| Work-in-progress | 314.77                         | 107.96            | 254.15            | 293.32            |
| Finished goods   | 162.05                         | 201.13            | 154.53            | 178.35            |
| Loose tools      | 18.36                          | 9.67              | 7.25              | 8.37              |
| <b>TOTAL</b>     | <b>1,378.80</b>                | <b>973.42</b>     | <b>844.78</b>     | <b>778.95</b>     |

#### ANNEXURE –XIX

##### DETAILS OF TRADE RECEIVABLES AS RESTATED

(₹ In Lakhs)

| Particulars                           | As at<br>September 30,<br>2023 | As at             |                   |                   |
|---------------------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                                       |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Unsecured, Considered Good            |                                |                   |                   |                   |
| Trade Receivable More than Six Months | 55.00                          | 55.00             | 55.00             | 83.15             |
| Trade Receivable Less than Six Months | 884.32                         | 841.89            | 694.98            | 522.88            |
|                                       |                                |                   |                   |                   |
| <b>TOTAL</b>                          | <b>939.32</b>                  | <b>896.89</b>     | <b>749.98</b>     | <b>606.03</b>     |

#### ANNEXURE –XX

##### DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED

(₹ In Lakhs)

| Particulars                     | As at<br>September 30,<br>2023 | As at             |                   |                   |
|---------------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                                 |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Cash-in-Hand                    | 28.64                          | 37.85             | 0.25              | 40.64             |
| Fixed deposit balance with bank | -                              | -                 | -                 | -                 |
| Balance in Deposit account      | 132.00                         | 132.00            |                   |                   |
| Balance in Current Accounts     | -                              | 28.09             | 9.60              | 0.20              |
|                                 | -                              | -                 |                   |                   |
| <b>TOTAL</b>                    | <b>160.64</b>                  | <b>197.94</b>     | <b>9.85</b>       | <b>40.84</b>      |

#### ANNEXURE –XXI

##### DETAILS OF SHORT-TERM LOAN AND ADVANCES AS RESTATED

(₹ In Lakhs)

| Particulars                   | As at<br>September 30,<br>2023 | As at             |                   |                   |
|-------------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                               |                                | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Staff advances                | 6.22                           | 0.68              | 0.33              | 0.04              |
| TDS reimbursement receivables | 1.62                           | 1.64              | 0.29              | 4.65              |
| Subsidy receivable            | 13.17                          | 11.59             | 29.99             | 46.32             |
| Vendor advances               | 129.27                         | 158.69            | 185.21            | 143.04            |
| Interest receivable           | 1.11                           | 1.13              | 1.89              | 1.78              |
|                               |                                |                   |                   |                   |
| <b>TOTAL</b>                  | <b>151.39</b>                  | <b>173.73</b>     | <b>217.71</b>     | <b>195.83</b>     |

#### ANNEXURE –XXII

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED****(₹ In Lakhs)**

| Particulars      | As<br>September<br>2023 | at<br>30,<br>2023 | As at         |                      |                      |
|------------------|-------------------------|-------------------|---------------|----------------------|----------------------|
|                  |                         |                   | March<br>2023 | 31,<br>March<br>2022 | 31,<br>March<br>2021 |
| Prepaid expenses | 2.83                    |                   | 2.83          | 2.44                 | 2.22                 |
|                  |                         |                   |               |                      |                      |
| <b>TOTAL</b>     | <b>2.83</b>             |                   | <b>2.83</b>   | <b>2.44</b>          | <b>2.22</b>          |

**ANNEXURE -XXIII****DETAILS OF REVENUE FROM OPERATIONS AS RESTATED****(₹ In Lakhs)**

| Particulars                 | For the period<br>ended September<br>30, 2023 | As at             |                   |                   |
|-----------------------------|---|-------------------|-------------------|-------------------|
|                             |   | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Sale of Goods               |   |                   |                   |                   |
| -Domestic Sales             | 1,850.82                                      | 3,951.34          | 3,302.13          | 2,135.38          |
| -Insurance on sale of goods | 17.97   | 43.69             | 38.81             | 22.83             |
|                             |   |                   |                   |                   |
| <b>TOTAL</b>                | <b>1,868.79</b>                               | <b>3,995.03</b>   | <b>3,340.94</b>   | <b>2,158.21</b>   |

**ANNEXURE –XXIV****DETAILS OF OTHER INCOME AS RESTATED****(₹ In Lakhs)**

| Particulars                 | For the period<br>ended September<br>30,2023 | As at             |                   |                   |
|-----------------------------|--|-------------------|-------------------|-------------------|
|                             |  | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Interest on FDR & Others    | 15.58  | 0.84              | 0.84              | 10.25             |
| Insurance Claim Received    | 0.87   | -                 | -                 | -                 |
| Freight Charges Received    | 9.96   | 18.16             | 11.54             | 14.11             |
| Cheque Return Charges       | -  | 0.04              | 0.09              | 0.04              |
| Other operating Income      | 15.00  | 11.24             | -                 | 2.97              |
| Discount & rate Differences | -  | 0.01              | 67.66             | 61.73             |
| Subsidy Income received     | -  | 35.00             | 50.92             | 46.32             |
|                             |  |                   |                   |                   |
| <b>TOTAL</b>                | <b>41.41</b>                                 | <b>65.29</b>      | <b>131.05</b>     | <b>135.42</b>     |

**ANNEXURE –XXV****DETAILS OF COST OF RAW MATERIAL CONSUMED AS RESTATED****(₹ In Lakhs)**

| Particulars                   | For the period<br>ended September<br>30,2023 | As at             |                   |                   |
|-------------------------------|--|-------------------|-------------------|-------------------|
|                               |  | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Opening Stock                 | 654.66                                       | 428.85            | 298.91            | 239.41            |
| Add: Purchase During the year | 1,202.40                                     | 2,873.55          | 2,339.49          | 1,678.89          |
| Less : Closing Stock          | (883.62)                                     | (654.66)          | (428.85)          | (298.91)          |
|                               |  |                   |                   |                   |
| <b>TOTAL</b>                  | <b>973.44</b>                                | <b>2,647.74</b>   | <b>2,209.55</b>   | <b>1,619.39</b>   |

**ANNEXURE –XXVI**

**DETAILS OF DIRECT EXPENSES AS RESTATED****(₹ In Lakhs)**

| Particulars  | For the period<br>ended September<br>30,2023 | As at             |                   |                   |
|--|--|-------------------|-------------------|-------------------|
|  |  | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Power & fuel   | 117.33                                       | 247.20            | 208.92            | 169.45            |
| Petrol & Diesel Exp                                    | 21.93  | 43.30             | 31.40             | 22.96             |
| Manufacturing Expenses                                 | 13.22  | 56.18             | 93.08             | 27.18             |
| Water Expenses   | -  | 1.53              | 1.14              | 0.38              |
| Repair & Maintenance of Plant & Machinery and Building | 5.79   | 14.52             | 24.81             | 0.65              |
| <b>TOTAL</b>   | <b>158.27</b>                                | <b>362.73</b>     | <b>359.35</b>     | <b>220.62</b>     |

**ANNEXURE –XXVII****DETAILS OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE AS RESTATED****(₹ In Lakhs)**

| Particulars            | For the period<br>ended September<br>30,2023 | As at             |                   |                   |
|------------------------|--|-------------------|-------------------|-------------------|
|                        |  | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| (a) Opening Stock      |  |                   |                   |                   |
| Finished Goods         | 201.13                                       | 154.53            | 178.35            | 87.21             |
| Work in Progress       | 107.96                                       | 254.15            | 293.32            | 263.67            |
| Loose Tools            | 9.67   | 7.25              | 8.37              | 4.21              |
| <b>Total (a)</b>       | <b>318.76</b>                                | <b>415.93</b>     | <b>480.04</b>     | <b>355.09</b>     |
| (b) Closing Stock      |  |                   |                   |                   |
| Finished Goods         | 162.05                                       | 201.13            | 154.53            | 178.35            |
| Work in Progress       | 314.77                                       | 107.96            | 254.15            | 293.32            |
| Loose Tools            | 18.36  | 9.67              | 7.25              | 8.37              |
| <b>Total (b)</b>       | <b>495.18</b>                                | <b>318.76</b>     | <b>415.93</b>     | <b>480.04</b>     |
| <b>TOTAL (a) - (b)</b> | <b>(176.42)</b>                              | <b>97.17</b>      | <b>64.11</b>      | <b>(124.95)</b>   |

**ANNEXURE –XXVIII****DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED****(₹ In Lakhs)**

| Particulars           | For the period<br>ended September<br>30,2023 | As at             |                   |                   |
|-----------------------|--|-------------------|-------------------|-------------------|
|                       |  | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Salaries & Wages      | 133.42                                       | 293.96            | 259.01            | 203.46            |
| Director Remuneration | 9.00   | 18.00             | 18.00             | 12.00             |
| PF Contribution       | 6.41   | 12.25             | 10.63             | 9.93              |
| ESI Contribution      | 1.86   | 3.54              | 4.07              | 3.45              |
| Staff Welfare         | 3.74   | 22.33             | 6.74              | 4.43              |
| <b>TOTAL</b>          | <b>154.43</b>                                | <b>350.08</b>     | <b>298.45</b>     | <b>233.27</b>     |

**ANNEXURE –XXIX****DETAILS OF FINANCE COST AS RESTATED****(₹ In Lakhs)**

| Particulars | For the period<br>ended September<br>30,2023 | As at             |                   |                   |
|-------------|--|-------------------|-------------------|-------------------|
|             |  | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |

|                                   |               |               |               |               |
|-----------------------------------|---------------|---------------|---------------|---------------|
| Bank Charges                      | 3.37          | 12.08         | 17.21         | 15.53         |
| Interest on borrowings            | 121.88        | 219.75        | 202.39        | 174.83        |
| Interest on late payment of taxes | -             | -             | 0.91          | 3.35          |
|                                   |               |               |               |               |
| <b>TOTAL</b>                      | <b>125.25</b> | <b>231.83</b> | <b>220.51</b> | <b>193.71</b> |

#### ANNEXURE -XXX

#### DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED

(₹ In Lakhs)

| Particulars                            | For the period ended September 30,2023 | As at          |                |                |
|--|--|----------------|----------------|----------------|
|  |  | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Depreciation and Amortization Expenses | 75.97                                  | 174.02         | 203.42         | 92.06          |
|  |  |                |                |                |
| <b>TOTAL</b>                           | <b>75.97</b>                           | <b>174.02</b>  | <b>203.42</b>  | <b>92.06</b>   |

#### ANNEXURE –XXXI

#### DETAILS OF OTHER EXPENSES AS RESTATED

(₹ In Lakhs)

| Particulars                      | For the period ended September 30,2023 | As at          |                |                |
|----------------------------------|--|----------------|----------------|----------------|
|                                  |  | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Auditor's Remuneration           | 0.15                                   | 0.30           | 0.20           | 0.25           |
| Conveyance Expenses              | 0.11                                   | 0.14           | 0.09           | 0.40           |
| Insurance Expenses               | 0.12                                   | 3.01           | 5.89           | 4.17           |
| Office Expenses                  | 1.66                                   | 5.08           | 4.66           | 3.90           |
| Preliminary Expenses Written Off | -                                      | -              | -              | 3.61           |
| Legal & Professional Fees        | 1.78                                   | 25.57          | 22.95          | 6.01           |
| ROC Fees                         | 0.15                                   | 16.50          | 0.30           | 1.07           |
| Rates & taxes                    | 0.85                                   | 1.39           | 2.91           | 0.62           |
| Medical expenses                 | -                                      | 0.09           | 0.08           | 0.01           |
| Miscellaneous Expenses           | 2.62                                   | 3.32           | 1.90           | 2.05           |
| Tea & Refreshment Expenses       | 0.47                                   | 1.71           | 1.35           | 1.11           |
| Telephone and Internet Expenses  | 0.96                                   | 2.00           | 2.49           | 2.92           |
| Rent & Travelling Expenses       | 2.87                                   | 1.92           | 4.09           | 2.61           |
| Advertisement expenses           | 0.40                                   | 0.58           | 0.64           | 0.37           |
| Business Promotion expenses      | -                                      | 0.81           | 2.07           | 1.22           |
| <b>TOTAL</b>                     | <b>12.14</b>                           | <b>62.42</b>   | <b>49.62</b>   | <b>30.32</b>   |

#### ANNEXURE -XXXII

#### DETAILS OF OTHER INCOME AS RESTATED

(₹ In Lakhs)

| Particulars                       | For the period ended September 30,2023 | As at          |                |                | Nature |
|-----------------------------------|--|----------------|----------------|----------------|--------|
|                                   |  | March 31, 2023 | March 31, 2022 | March 31, 2021 |        |
| Other Income                      | 41.41                                  | 65.29          | 131.05         | 135.42         |        |
|                                   |  |                |                |                |        |
| Net Profit Before Tax as Restated | 587.12                                 | 134.33         | 66.98          | 29.21          |        |
|                                   |  |                |                |                |        |

|                            |              |              |               |               |  |
|----------------------------|--------------|--------------|---------------|---------------|--|
| Percentage                 | 7.05%        | 48.60%       | 195.66%       | 463.61%       |  |
| Source of Income           |              |              |               |               |  |
| Interest on FDR & Others   | 15.58        | 0.84         | 0.84          | 10.25         | Recurring and Not related to Business Activity |
| Insurance Claim Received   | 0.87         | -            | -             | -             | Non-Recurring and related to Business Activity |
| Freight Charges Received   | 9.96         | 18.16        | 11.54         | 14.11         | Non-Recurring and related to Business Activity |
| Cheque Return Charges      | -            | 0.04         | 0.09          | 0.04          | Non-Recurring and related to Business Activity |
| Other operating Income     | 15.00        | 11.24        | -             | 2.97          | Recurring and related to Business Activity     |
| Dicount & rate Differences | -            | 0.01         | 67.66         | 61.73         | Recurring and related to Business Activity     |
| Subsidy Income received    | -            | 35.00        | 50.92         | 46.32         | Recurring and related to Business Activity     |
| <b>Total Other income</b>  | <b>41.41</b> | <b>65.29</b> | <b>131.05</b> | <b>135.42</b> |  |

#### ANNEXURE -XXXIII

#### AGEING OF TRADE PAYABLES AS RESTATED

##### I. Ageing of Creditors as at September 30, 2023

(₹ In Lakhs)

| Particulars  |                        | Outstanding for following periods from due date of payment |              |           |                   | Total         |
|--------------|------------------------|--|--------------|-----------|-------------------|---------------|
|              |                        | Less than 1 year   | 1-2 years    | 2-3 years | More than 3 years |               |
| (a)          | MSME                   | 22.63  | -            | -         | -                 | 22.63         |
| (b)          | Others                 | 186.56   | 11.36        | -         | -                 | 197.92        |
| (c)          | Disputed Dues - MSME   | -  | -            | -         | -                 | -             |
| (d)          | Disputed Dues - Others | -  | -            | -         | -                 | -             |
| <b>Total</b> |                        | <b>209.19</b>  | <b>11.36</b> | <b>-</b>  | <b>-</b>          | <b>220.55</b> |

##### I. Ageing of Creditors as at March 31, 2023

(₹ In Lakhs)

| Particulars  |                        | Outstanding for following periods from due date of payment |             |           |                   | Total         |
|--------------|------------------------|--|-------------|-----------|-------------------|---------------|
|              |                        | Less than 1 year   | 1-2 years   | 2-3 years | More than 3 years |               |
| (a)          | MSME                   | 23.67  | -           | -         | -                 | 23.67         |
| (b)          | Others                 | 123.97   | 4.05        | -         | -                 | 128.02        |
| (c)          | Disputed Dues - MSME   | -  | -           | -         | -                 | -             |
| (d)          | Disputed Dues - Others | -  | -           | -         | -                 | -             |
| <b>Total</b> |                        | <b>147.64</b>  | <b>4.05</b> | <b>-</b>  | <b>-</b>          | <b>151.69</b> |

## II. Ageing of Creditors as at March 31, 2022

(₹ In Lakhs)

| Particulars  |                        | Outstanding for following periods from due date of payment |             |           |                   | Total         |
|--------------|------------------------|--|-------------|-----------|-------------------|---------------|
|              |                        | Less than 1 year   | 1-2 years   | 2-3 years | More than 3 years |               |
| (a)          | MSME                   | 20.85  | -           | -         | -                 | 20.85         |
| (b)          | Others                 | 97.85  | 3.87        | -         | -                 | 101.72        |
| (c)          | Disputed Dues - MSME   | -  | -           | -         | -                 | -             |
| (d)          | Disputed Dues - Others | -  | -           | -         | -                 | -             |
| <b>Total</b> |                        | <b>118.70</b>  | <b>3.87</b> | <b>-</b>  | <b>-</b>          | <b>122.57</b> |

## II. Ageing of Creditors as at March 31, 2021

(₹ In Lakhs)

| Particulars  |                        | Outstanding for following periods from due date of payment |             |           |                   | Total         |
|--------------|------------------------|--|-------------|-----------|-------------------|---------------|
|              |                        | Less than 1 year   | 1-2 years   | 2-3 years | More than 3 years |               |
| (a)          | MSME                   | 230.70   | -           | -         | -                 | 230.70        |
| (b)          | Others                 | 114.79   | 6.00        | -         | -                 | 120.79        |
| (c)          | Disputed Dues - MSME   | -  | -           | -         | -                 | -             |
| (d)          | Disputed Dues - Others | -  | -           | -         | -                 | -             |
| <b>Total</b> |                        | <b>345.49</b>  | <b>6.00</b> | <b>-</b>  | <b>-</b>          | <b>351.49</b> |

## ANNEXURE -XXXIV

### AGEING OF TRADE RECEIVABLES AS RESTATED

#### I. Ageing of Debtors as at September 30, 2023

(₹ In Lakhs)

| Particulars  |  | Outstanding for following periods from due date of payment |                   |             |           |                   | Total         |
|--------------|--|--|-------------------|-------------|-----------|-------------------|---------------|
|              |  | Less than 6 months   | 6 months - 1 year | 1-2 years   | 2-3 years | More than 3 years |               |
| (a)          | Undisputed Trade receivables - considered good     | 847.11   | 82.32             | 9.89        | -         | -                 | 939.32        |
| (b)          | Undisputed Trade Receivables - considered doubtful | -  | -                 | -           | -         | -                 | -             |
| (c)          | Disputed Trade Receivables - considered good       | -  | -                 | -           | -         | -                 | -             |
| (d)          | Disputed Trade Receivables - considered doubtful   | -  | -                 | -           | -         | -                 | -             |
| <b>Total</b> |  | <b>847.11</b>  | <b>82.32</b>      | <b>9.89</b> | <b>-</b>  | <b>-</b>          | <b>939.32</b> |

#### I. Ageing of Debtors as at March 31, 2023

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | Total |
|-------------|--|-------|
|-------------|--|-------|

|              |  | <b>Less than 6 months</b> | <b>6 months - 1 year</b> | <b>1-2 years</b> | <b>2-3 years</b> | <b>More than 3 years</b> |               |
|--------------|--|---------------------------|--------------------------|------------------|------------------|--------------------------|---------------|
| (a)          | Undisputed Trade receivables - considered good     | 841.89                    | 25.41                    | 9.89             | 2.40             | -                        | 879.59        |
| (b)          | Undisputed Trade Receivables - considered doubtful | -                         | -                        | -                | -                | -                        | -             |
| (c)          | Disputed Trade Receivables - considered good       | -                         | -                        | -                | 17.30            | -                        | 17.30         |
| (d)          | Disputed Trade Receivables - considered doubtful   | -                         | -                        | -                | -                | -                        | -             |
| <b>Total</b> |  | <b>841.89</b>             | <b>25.41</b>             | <b>9.89</b>      | <b>19.70</b>     | <b>-</b>                 | <b>896.89</b> |

**I. Ageing of Debtors as at March 31, 2022**

(₹ In Lakhs)

| <b>Particulars</b> |  | <b>Outstanding for following periods from due date of payment</b> |                          |                  |                  |                          | <b>Total</b>  |
|--------------------|--|---|--------------------------|------------------|------------------|--------------------------|---------------|
|                    |  | <b>Less than 6 months</b>   | <b>6 months - 1 year</b> | <b>1-2 years</b> | <b>2-3 years</b> | <b>More than 3 years</b> |               |
| (a)                | Undisputed Trade receivables - considered good     | 694.98  | 35.45                    | 2.25             | -                | -                        | 732.68        |
| (b)                | Undisputed Trade Receivables - considered doubtful | -   | -                        | -                | -                | -                        | -             |
| (c)                | Disputed Trade Receivables - considered good       | -   | -                        | 17.30            | -                | -                        | 17.30         |
| (d)                | Disputed Trade Receivables - considered doubtful   | -   | -                        | -                | -                | -                        | -             |
| <b>Total</b>       |  | <b>694.98</b>   | <b>35.45</b>             | <b>19.55</b>     | <b>-</b>         | <b>-</b>                 | <b>749.98</b> |

**I. Ageing of Debtors as at March 31, 2021**

(₹ In Lakhs)

| <b>Particulars</b> |  | <b>Outstanding for following periods from due date of payment</b> |                          |                  |                  |                          | <b>Total</b>  |
|--------------------|--|---|--------------------------|------------------|------------------|--------------------------|---------------|
|                    |  | <b>Less than 6 months</b>   | <b>6 months - 1 year</b> | <b>1-2 years</b> | <b>2-3 years</b> | <b>More than 3 years</b> |               |
| (a)                | Undisputed Trade receivables - considered good     | 522.88  | 65.85                    | -                | -                | -                        | 588.73        |
| (b)                | Undisputed Trade Receivables - considered doubtful | -   | -                        | -                | -                | -                        | -             |
| (c)                | Disputed Trade Receivables - considered good       | -   | 17.30                    | -                | -                | -                        | 17.30         |
| (d)                | Disputed Trade Receivables - considered doubtful   | -   | -                        | -                | -                | -                        | -             |
| <b>Total</b>       |  | <b>522.88</b>   | <b>83.15</b>             | <b>-</b>         | <b>-</b>         | <b>-</b>                 | <b>606.03</b> |

# ANNEXURE –XXXV

## DETAILS OF ACCOUNTING RATIOS AS RESTATED

(₹ In Lakhs)

| Particulars   | For the period ended September 30,2023 | As at         |               |               |
|---|--|---------------|---------------|---------------|
|   |  | March 31,2023 | March 31,2022 | March 31,2021 |
| Restated Profit after Tax as per Profit & Loss Statement (A)                              | 434.47                                 | 99.40         | 49.32         | 20.74         |
| Tax Expense (B)   | 152.65                                 | 34.93         | 17.66         | 8.47          |
| Depreciation and amortization expense (C)   | 75.97                                  | 174.02        | 203.42        | 92.06         |
| Interest Cost (D)   | 121.88                                 | 219.75        | 202.39        | 174.83        |
| Weighted Average Number of Equity Shares at the end of the Year (E)                       | 47,50,000                              | 47,50,000     | 47,50,000     | 40,10,274     |
| Number of Equity Shares outstanding at the end of the Year (F)                            | 47,50,000                              | 47,50,000     | 47,50,000     | 47,50,000     |
| Nominal Value per Equity share (₹) (G)  | 10.00                                  | 10.00         | 10.00         | 10.00         |
| Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H) | 1,198.01                               | 763.52        | 664.11        | 614.79        |
| Current Assets (I)  | 2,632.99                               | 2,244.79      | 1,824.76      | 1,623.87      |
| Current Liabilities (J)   | 1,963.06                               | 1,665.65      | 1,346.05      | 1,492.50      |
| Earnings Per Share - Basic & Diluted <sup>1</sup> (₹)                                     | 9.15                                   | 2.09          | 1.04          | 0.52          |
| Return on Net Worth <sup>1 &amp; 2</sup> (%)  | 48.36%                                 | 17.36%        | 7.43%         | 3.37%         |
| Net Asset Value Per Share <sup>1</sup> (₹)  | 25.22                                  | 16.07         | 13.98         | 12.94         |
| Current Ratio <sup>1</sup>  | 1.34                                   | 1.35          | 1.36          | 1.09          |
| Earnings before Interest, Tax and Depreciation and Amortization <sup>1</sup> (EBITDA)     | 784.97                                 | 528.10        | 472.79        | 296.10        |

Notes -

1. Ratios have been calculated as below :

- Earnings Per Share (₹) (EPS) :A / E
- Return on Net Worth (%): A / H
- Net Asset Value per equity share (₹): H / F
- Current Ratio: I / J
- Earnings before Interest, Tax and Depreciation and Amortization (EBITDA): A + (B + C + D)

2. Return on Net worth has been annualised.

3. The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Annexure I - III.



ANNEXURE –XXXVI

DETAILS OF RELATED PARTY TRANSACTION AS RESTATED

(₹ In Lakhs)

| Name of Related Party  | Nature of Relationship                             | Nature of Transaction | Amount of transaction during the period ended September 30, 2023 | Amount outstanding as on September 30, 2023 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2023 | Amount outstanding as on March 31, 2023 (Payable)/ Receivable |
|--|--|-----------------------|--|---|--|---|
| Mahesh Kumar Agarwal   | Director   | Loan Taken            | 8.50   | (22.21)   | 17.88  | (13.71)   |
|  |  | Loan Repaid           | -  |   | 88.50  |   |
|  |  | Salary / Remuneration | 9.00   | (7.95)  | 18.00  | (3.01)  |
| Uma Shankar Agarwal  | Director   | Loan Taken            | -  | (18.46)   | -  | (18.46)   |
|  |  | Loan Repaid           | -  |   | 30.00  |   |
| Sharda Agarwal   | Relative for Director                              | Loan Taken            | -  | (6.60)  | 5.35   | (6.60)  |
|  |  | Loan Repaid           | -  |   | 9.65   |   |
| Anita Agarwal  | Managing Director                                  | Loan Taken            | -  | (25.25)   | 5.00   | (25.25)   |
|  |  | Loan Repaid           | -  |   | -  |   |
| Mayur Agarwal  | Relative for Director                              | Loan Taken            | -  | -   | 3.80   | -   |
|  |  | Loan Repaid           | -  |   | 0.59   |   |
|  |  | Staff Advances        | -  | -   | -  | -   |
| Sharda Devi Agarwal  | Relative for Director                              | Loan Taken            | -  | (6.24)  | 14.24  | (6.24)  |
|  |  | Loan Repaid           | -  |   | 8.00   |   |
|  |  | Sale of goods         | -  | -   | -  | -   |
| Surendra Agarwal   | Relative for Director                              | Loan Taken            | -  | (15.54)   | -  | (15.54)   |
|  |  | Loan Repaid           | -  |   | 30.00  |   |
| Agarwal Glass Emporium   | Proprietorship concern of Relative                 | Loan Taken            | 1.34   | (5.92)  | 2.68   | (4.58)  |
|  |  | Loan Repaid           | -  |   | -  |   |
|  |  | Sale of goods         | 13.91  | 37.61   | 32.01  | 30.11   |
| Agarwal Float Glass India Limited  | Entity in which a Director is a Member Or Director | Sale of goods         | 24.61  | -   | 18.96  | -   |
|  |  | purchase of goods     | 48.84  | (116.10)  | 294.52   | (101.50)  |
| Agarwal Fortune India Limited (formerly known as Devki Leasing & Finance Limited ) | Entity in which a Director is a Member Or Director | Vendor Advances       | 4.65   | (1.42)  | 45.65  | (1.35)  |
|  |  | purchase of goods     | 16.14  | (9.04)  | -  | -   |
| Hardik glasses   | Proprietorship concern of Relative of Director     | Sale of goods         | 0.01   | 107.75  | 0.02   | 107.74  |
|  |  | purchase of goods     | -  | -   | 20.03  | -   |

| Name of Related Party  | Nature of Relationship                             | Nature of Transaction | Amount of transaction during the period ended March 31, 2022 | Amount outstanding as on March 31, 2022 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2021 | Amount outstanding as on March 31, 2021 (Payable)/ Receivable |
|--|--|-----------------------|--|---|--|---|
| Mahesh Kumar Agarwal   | Director   | Loan Taken            | 71.80  | (84.34)   | 23.10  | (28.32)   |
|  |  | Loan Repaid           | 15.78  |   | -  |   |
|  |  | Salary / Remuneration | 18.00  | (5.59)  | 12.00  | (5.59)  |
| Uma Shankar Agarwal  | Director   | Loan Taken            | 7.55   | (48.46)   | -  | (73.46)   |
|  |  | Loan Repaid           | 32.55  |   | 7.55   |   |
| Sharda Agarwal   | Relative for Director                              | Loan Taken            | 13.36  | (10.90)   | 69.80  | (37.15)   |
|  |  | Loan Repaid           | 39.61  |   | 37.76  |   |
| Anita Agarwal  | Managing Director                                  | Loan Taken            | 20.00  | (20.25)   | -  | (9.25)  |
|  |  | Loan Repaid           | 9.00   |   | -  |   |
| Mayur Agarwal  | Relative for Director                              | Loan Taken            | 6.00   | -   | -  | -   |
|  |  | Loan Repaid           | 6.00   |   | -  |   |
|  |  | Staff Advances        | 5.00   | 5.00  | -  | -   |
| Sharda Devi Agarwal  | Relative for Director                              | Loan Taken            | 15.00  | -   | -  | (6.00)  |
|  |  | Loan Repaid           | 21.00  |   | -  |   |
|  |  | Sale of goods         | -  | -   | 0.79   |   |
| Surendra Agarwal   | Relative for Director                              | Loan Taken            | -  | (45.54)   | 15.00  | (45.54)   |
|  |  | Loan Repaid           | -  |   | -  |   |
| Agarwal Glass Emporium   | Proprietorship concern of Relative of Director     | Loan Taken            | 2.68   | (1.90)  | 1.12   | 0.77  |
|  |  | Loan Repaid           | -  |   | 25.00  |   |
|  |  | Sale of goods         | 21.32  | 21.78   | 31.40  | 29.68   |
| Agarwal Float Glass India Limited  | Entity in Which a Director is a Member Or Director | Sale of goods         | 304.78   | 101.56  | 82.94  | -   |
|  |  | purchase of goods     | 346.13   | -   | 73.56  | (81.36)   |
| Agarwal Fortune India Limited (formerly known as Devki Leasing & Finance Limited ) | Entity in Which a Director is a Member Or Director | Vendor Advances       | -  | -   | -  | -   |
| Hardik glasses   | Proprietorship concern of Relative of Director     | Sale of goods         | -  | 101.00  | -  | 85.60   |
|  |  | purchase of goods     | 54.75  | -   | 19.57  | -   |

#### ANNEXURE -XXXVII

#### STATEMENT OF TAX SHELTERS

(₹ In Lakhs)

| Particulars | For the period ended September 30,2023 | As at         |               |               |
|-------------|--|---------------|---------------|---------------|
|             |  | March 31,2023 | March 31,2022 | March 31,2021 |

|   |         |          |          |          |
|---|---------|----------|----------|----------|
| Profit before tax as per books (A)                    | 587.12  | 134.33   | 66.98    | 29.21    |
| Income Tax Rate (%)                                   | 26.00 % | 26.00 %  | 26.00 %  | 26.00 %  |
| MAT Rate (%)  | 15.60 % | 15.60 %  | 15.60 %  | 15.60 %  |
| Tax at notional rate on profits                       | 152.65  | 34.93    | 17.41    | 7.59     |
| Adjustments:  |         |          |          |          |
| Permanent Differences(B)                              |         |          |          |          |
| <i>Expenses disallowed under Income Tax Act, 1961</i> |         |          |          |          |
| Interest on Late payment of taxes                     | -       | -        | 0.91     | 3.35     |
| Total Permanent Differences(B)                        | -       | -        | 0.91     | 3.35     |
| Income considered separately (C)                      |         |          |          |          |
| Interest Income                                       | (15.58) | (0.84)   | (0.84)   | (10.25)  |
| Total Income considered separately (C)                | (15.58) | (0.84)   | (0.84)   | (10.25)  |
| Timing Differences (D)                                |         |          |          |          |
| Depreciation as per Companies Act, 2013               | 75.97   | 174.02   | 203.42   | 92.06    |
| Depreciation as per Income Tax Act, 1961              | (76.33) | (124.13) | (156.40) | (100.54) |
| Total Timing Differences (D)                          | (0.36)  | 49.89    | 47.02    | (8.48)   |
| Net Adjustments E = (B+C+D)                           | (15.94) | 49.05    | 47.09    | (15.38)  |
| Tax expense / (saving) thereon                        | (4.14)  | 12.75    | 12.24    | (4.00)   |
| Income from Other Sources                             |         |          |          |          |
| Interest Income                                       | 15.58   | 0.84     | 0.84     | 10.25    |
| Income from Other Sources (F)                         | 15.58   | 0.84     | 0.84     | 10.25    |
| Set-off from Brought Forward Losses (G)               | -       | -        | -        | -        |
| Deduction Under Chapter VI A (H)                      |         |          |          |          |
| - Donation u/s 37                                     | 0.00    | 0.00     | 0.00     | 0.00     |
| Taxable Income/(Loss) as per Income Tax (A+E+F+G-H)   | 586.76  | 184.22   | 114.91   | 24.08    |
| Taxable Income/(Loss) as per MAT                      | 587.12  | 134.33   | 66.98    | 29.21    |
| Income Tax as returned/computed                       | 152.56  | 47.90    | 29.88    | 6.26     |
| Tax paid as per normal or MAT                         | Normal  | Normal   | Normal   | Normal   |

## ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

### ANNEXURE -XXXVIII

#### DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED AS RESTATED:

| Particulars   | As at<br>September<br>30, 2023 | As at<br>March |         |         |
|---|--------------------------------|----------------|---------|---------|
|   |                                | 31,2023        | 31,2022 | 31,2021 |
| (a) Dues remaining unpaid to any supplier at the end of each accounting year  |                                |                |         |         |
| -Principal  | 22.63                          | 23.67          | 20.85   | 230.70  |
| -Interest on the above  |                                | -              | -       | -       |
| (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; |                                | -              | -       | -       |

(₹ In Lakhs)

| Particulars   | As at<br>September<br>30, 2023 | As at            |                  |                  |
|---|--------------------------------|------------------|------------------|------------------|
|   |                                | March<br>31,2023 | March<br>31,2022 | March<br>31,2021 |
| (c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;   |                                | -                | -                | -                |
| (d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. |                                | -                | -                | -                |

Note: The Company has not accounted for interest provisions as per MSMED Act, 2006 as the company has made payments to MSME Vendors within contractual period which is exceeding the contractual time-limit as per MSMED Act, 2006 and the amount payable to them are agreed between the company and the vendors considering the contractual credit period and hence, no interest is payable.

#### ANNEXURE-XXXIX

##### Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013:

- i) The Company does not have any immovable property (other than properties where the Company is the lessee, and the lease agreements are duly executed in favours of the lessee) whose title deeds are not held in the name of the company.
- ii) The Company has not revalued its Property, Plant and Equipment.
- iii) The Company has not granted 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, that are:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment
- iv) The company had capital work-in-progress in the relevant financial year and ageing are represented below.

##### a. For the period ended as on September 30, 2023

(₹ In Lakhs)

| CWIP                           | Amount of CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in progress           | -                              | -         | -         | -                 | -      |
| - Project 1                    | -                              | -         | -         | -                 | -      |
| - Project 2                    | -                              | -         | -         | -                 | -      |
| - Project 3                    | 552.91                         | -         | -         | -                 | 552.91 |
|                                | -                              | -         | -         | -                 | -      |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |

##### a. For the period ended as on March 31, 2023

(₹ In Lakhs)

| CWIP                 | Amount of CWIP for a period of |           |           |                   | Total  |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                      | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in progress | -                              | -         | -         | -                 | -      |
| - Project 1          | -                              | -         | -         | -                 | -      |
| - Project 2          | -                              | -         | -         | -                 | -      |
| - Project 3          | 180.18                         | -         | -         | -                 | 180.18 |

|                                |   |   |   |   |   |
|--------------------------------|---|---|---|---|---|
|                                | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |

**b. For the year ended as on March 31, 2022**

(₹ In Lakhs)

| CWIP                           | Amount of CWIP for a period of |           |           |                   | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress           | -                              | -         | -         | -                 | -     |
| - Project 1                    | -                              | -         | -         | -                 | -     |
| - Project 2                    | -                              | -         | -         | -                 | -     |
|                                | -                              | -         | -         | -                 | -     |
| Projects temporarily suspended | -                              | -         | -         | -                 | -     |

**c. For the year ended as on March 31, 2021**

(₹ In Lakhs)

| CWIP                           | Amount of CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in progress           | -                              | -         | -         | -                 | -      |
| - Project 1                    | -                              | -         | -         | -                 | -      |
| - Project 2                    | 522.81                         | -         | -         | -                 | 522.51 |
|                                | -                              | -         | -         | -                 | -      |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |

- v) The Company does not have any intangible assets under development
- vi) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- vii) The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts
- viii) The company is not declared as willful defaulter by any bank or financial institution or other lender.
- ix) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- x) There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- xi) The company does not have any investments and hence, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

**xii) Significant Accounting Ratios:**

| Ratios                           | For the Period ended September 30, 2023 | For the Year ended March 31, 2023 | Variation (%) |
|----------------------------------|---|-----------------------------------|---------------|
| (a) Current Ratio                | 1.08                                    | 1.08                              | 0.38%         |
| (b) Debt-Equity Ratio            | 2.58                                    | 3.94                              | (34.50%)      |
| (c) Debt Service Coverage Ratio* | 0.26                                    | 0.17                              | 50.44%        |
| (d) Return on Equity Ratio*      | 44.30%                                  | 13.93%                            | 218.13%       |
| (e) Inventory turnover ratio*    | 0.81                                    | 3.42                              | (76.24%)      |

|                                       |        |       |          |
|---------------------------------------|--------|-------|----------|
| (f) Trade Receivables turnover ratio* | 2.04   | 4.85  | (58.05%) |
| (g) Trade payables turnover ratio*    | 5.94   | 27.60 | (78.49%) |
| (h) Net capital turnover ratio*       | 2.58   | 3.12  | (17.16%) |
| (i) Net profit ratio                  | 23.25% | 2.49% | 834.40%  |
| (j) Return on Capital employed*       | 17.14% | 9.73% | 76.25%   |
| (k) Return on investment              | N.A    | N.A   | N.A      |

\*Ratios are not annualised and hence, not comparable as comparative period is full financial year.

(a) *Debt-Equity Ratio: Due to Business expansion company Increases the equity base.*

(b) *Net profit Ratio: Company taken some new projects and due to some changes in business model company is able to effectively control its costs and/or provide goods or services at a price significantly higher than its costs and due to this factor, the profitability of company Increased.*

(c) *Return on Capital employed increased because increase in net operating margin compared to the previous period.*

| Ratios                               | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 | Variation (%) |
|--------------------------------------|--------------------------------------|--------------------------------------|---------------|
| (a) Current Ratio                    | 1.08                                 | 1.36                                 | (25.77%)      |
| (b) Debt-Equity Ratio                | 3.94                                 | 4.07                                 | (3.36%)       |
| (c) Debt Service Coverage Ratio      | 0.17                                 | 0.17                                 | 2.54%         |
| (d) Return on Equity Ratio           | 13.93%                               | 7.71%                                | 44.61%        |
| (e) Inventory turnover ratio         | 3.42                                 | 3.24                                 | 5.13%         |
| (f) Trade Receivables turnover ratio | 4.85                                 | 4.93                                 | (1.57%)       |
| (g) Trade payables turnover ratio    | 27.60                                | 24.11                                | 12.62%        |
| (h) Net capital turnover ratio       | 3.12                                 | 2.74                                 | 12.14%        |
| (i) Net profit ratio                 | 2.49%                                | 1.48%                                | 40.67%        |
| (j) Return on Capital employed       | 9.73%                                | 8.15%                                | 16.23%        |
| (k) Return on investment             | N.A                                  | N.A                                  | N.A           |

Reasons for Variation more than 25%:

(a) *Current Ratio: Company increases some short-term debt during Business expansion.*

(b) *Return on Equity Ratio Increased because of Increase of Net Profit (Net profit ratio Increases because of Efficient management. Low cost (expenses).*

(c) *Net profit ratio Increases because of Efficient management. Low cost (expenses).*

| Ratios                               | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 | Variation (%) |
|--------------------------------------|--------------------------------------|--------------------------------------|---------------|
| (a) Current Ratio                    | 1.36                                 | 1.09                                 | 19.74%        |
| (b) Debt-Equity Ratio                | 4.07                                 | 3.93                                 | 3.60%         |
| (c) Debt Service Coverage Ratio      | 0.17                                 | 0.12                                 | 28.70%        |
| (d) Return on Equity Ratio           | 7.71%                                | 3.66%                                | 52.54%        |
| (e) Inventory turnover ratio         | 3.24                                 | 2.50                                 | 22.99%        |
| (f) Trade Receivables turnover ratio | 4.93                                 | 3.86                                 | 21.71%        |
| (g) Trade payables turnover ratio    | 24.11                                | 15.75                                | 34.70%        |
| (h) Net capital turnover ratio       | 2.74                                 | 32.00                                | (1068.76%)    |
| (i) Net profit ratio                 | 1.48%                                | 0.96%                                | 34.90%        |
| (j) Return on Capital employed       | 8.15%                                | 6.94%                                | 14.77%        |
| (k) Return on investment             | N.A                                  | N.A                                  | N.A           |

Reasons for Variation more than 25%:

(a) *Debt Service Coverage Ratio Increased because during COVID Period company repaid some high Interest obligation to maintain the Profitability.*

(b) *Return on Equity Ratio as net income increases during the year because of Efficient management. Low cost (expenses).*

- (c) *Trade payables turnover ratio Increased because during the COVID Period company repaid the amount to suppliers' faster rate than in previous periods.*
- (d) *Net capital turnover ratio decreased because invest more during COVID period in accounts receivable and inventory to support its sales.*
- (e) *Net profit ratio Increases because of Efficient management. Low cost (expenses).*

- xiii) The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- xiv) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xv) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

#### **ANNEXURE-XXXX**

##### **Capitalization Statement as at September 30, 2023**

| <b>(₹ In Lakhs)</b>                        |                  |                     |
|--|------------------|---------------------|
| <b>Particulars</b>                         | <b>Pre-Issue</b> | <b>Post Issue *</b> |
| Borrowings                                 |                  |                     |
| Short term debt (A)                        | 1,950.54         | **                  |
| Long Term Debt (B)                         | 987.01           | **                  |
| Total debts (C)                            | 2,937.55         | **                  |
|  |                  |                     |
| Shareholders' funds                        |                  |                     |
| Share capital                              | 475.00           | **                  |
| Reserve and surplus - as Restated          | 722.98           | **                  |
| Total shareholders' funds (D)              | 1,197.98         | **                  |
|  |                  |                     |
| Long term debt / shareholders' funds (B/D) | 0.82             | **                  |
| Total debt / shareholders' funds (C/D)     | 2.45             | **                  |

\*Based on the assumption that Fresh Issue of Equity Shares will be fully subscribed.

\*\* will be updated at the time of filing of Prospectus with ROC

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" on page 22 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 financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our auditor dated December 01, 2023 which is included in this Draft Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### Overview of the Company

Agarwal Toughened Glass India Limited is in the business of manufacturing toughened glass. Our product portfolio consists of toughened value addition glasses which are of various thickness and sizes. The toughened value addition glasses are obtained after processing the float glass. After processing the toughened glass, variety of glasses are further obtained such as clear toughened glass, laminated toughened glass, reflective toughened glass, tinted toughened glass, double glazing glass and frosted toughened glass. As a result of its safety and strength, toughened glass is used in a variety of demanding applications including passenger vehicle windows, shower doors, architectural glass doors and tables, refrigerator trays, mobile screen protectors, bulletproof glass for diving masks and various types of plates and cookware etc. Also toughened glass is commonly used in doors, facades, staircases, balustrades and as partitions in the shopping malls, hospitals, airports, residential apartments, commercial apartments building etc.

From incorporation date till 2015, our company was under the process of setting up its factory unit. From 2016 onwards, our company started its 1<sup>st</sup> factory unit and the 2<sup>nd</sup> manufacturing unit started in 2022. Within our factory unit 1, float glass is simply converted into toughened glass and within our factory unit 2, toughened glass is then converted into other variety of value added toughened glasses

Our company is manufacturing various types of toughened glasses as per the quality standards as prescribed by Bureau of Indian Standard (BIS) for using ISI mark. Our ISO 9001:2015 certification has made our Quality Management System comparable with the best in the world. All our products are sold in within India only. Our products are being used by various segment viz., office buildings, hotels, institutions, banks, insurance companies, shopping malls, diplomatic residences, etc. Our products cater to a range of end use industries including construction, automotive, and industrial sectors, with a variety of applications such as exterior and interior spaces of residential and commercial buildings. Our top customers include Window Magic India Pvt. Ltd., Riddhi Siddhi Inovations (India) Pvt. Ltd, Dhabriya Polywood Limited, Saint Gobain India Pvt. Ltd, Design Kraft Solutions, Jatan Constructions Private Limited, Narendra Interiors Pvt. Ltd., Royal Glass And Hardware World etc..and our top suppliers include Saint Gobain India Private Limited, Asahi India Glass Limited, Borosil Renewables Limited, Gold Plus Glass Industries Limited, Gujarat Guardian Limited, Sisecam Flat Glass India Private Limited etc.

Our company is procuring orders either through direct clients or through our well experienced sales and marketing team who have the experience in glass industry. Our process time for manufacturing value-added glass and processed glass, will depend upon the size, thickness, quantity and quality of glasses selected by our client.

For more information on our Company's business, please refer to chapter titled "**Business Overview**" on page no. 97 of this Draft Prospectus.

### COVID 19 Pandemic:

Pursuant to outbreak of coronavirus disease (COVID-19) worldwide and its declaration as global pandemic, the Government of India declared lockdown on March 24, 2020, followed by several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety



measures, which had some impact on the Company's supply chain during March 2020. The Company is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its customers, employees, vendors, and business partners. The management has exercised due care, in concluding on significant accounting judgments and estimates, inter-alia, recoverability of receivables, inventory, based on the information available to date, both internal and external, while preparing the Company's financial results as of and for the year ended 31st March 2020.

### **Significant Developments Subsequent to the Last Financial Year subsequent to September 31, 2023**

After the date of last audited accounts i.e. March 31, 2023, the Directors of our Company confirm that, there have not been any significant material developments which materially and adversely affect or is likely to affect within the next twelve months for the trading or profitability of the Company, the value of its assets or its ability to pay its liability. However, following material events have occurred after the last audited period:

- 1) The Board of Directors via its Board resolution passed on October 28, 2023, authorized the funds to be raised by making an initial public offering.
- 2) The Shareholders via its Resolution passed at the EGM held on October 30, 2023, authorized the funds to be raised by making an initial public offering.
- 3) The Shareholders via its Resolution passed at the EGM held on October 30, 2023, to increase the Borrowing Power of the Company up to Rs. 150.00 Crores.
- 4) The financial statement-Audit Report for March 2023 was approved by Board resolution dated September 01, 2023.
- 5) Mrs. Anita Uma Shankar Agarwal was appointed as Managing Director by passing Board Meeting Resolution dated March 06, 2023.
- 6) Mrs. Anita Uma Shankar Agarwal was appointed as Managing Director by passing of Resolution in Extra Ordinary Resolution dated March 06, 2023.
- 7) Mr. Mahesh Kumar Sanwormal Agarwal was appointed as Executive Director of the company by passing of Resolution in Board Meeting Resolution dated March 06, 2023.
- 8) Mr. Mahesh Kumar Sanwormal Agarwal was appointed as Executive Director of the company by passing of Resolution in Extra Ordinary Resolution dated March 06, 2023.
- 9) Mrs. Anita Uma Shankar Agarwal was appointed as CEO by passing of Resolution in Extra Ordinary Resolution dated October 30, 2023
- 10) Mr. Nitin Ghanshyam Hotchandani was appointed as Director as Independent Non-Executive Director by passing of Board Resolution dated March 06, 2023, and on same he was regularized in Extra Ordinary Resolution dated March 06, 2023.
- 11) Mrs. Shalini Ashok Kumar Sharma was appointed as Additional Director as Independent Non-Executive Director by passing of Board Resolution dated March 06, 2023, and on same she was regularized in Extra Ordinary Resolution dated March 06, 2023.
- 12) Mr. Ravi Kumar Manohar Lal Torani was appointed as Additional Director as Independent Non-Executive Director by passing of Board Resolution dated March 06, 2023, and on same he was regularized in Extra Ordinary Resolution dated March 06, 2023.
- 13) Miss. Neha Rajendra Singh Jadoun was appointed as Company Secretary and Compliance Officer of the company by passing of Board Resolution dated December 01, 2023.
- 14) Mr. Mangal Ram Gopiram Prajapati was appointed as the Chief Financial Officer (CFO) of the Company via Board resolution dated December 01, 2023.

### Significant Developments subsequent to September 31, 2023

Except as set out above, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

### Key factors affecting our results of operations:

The business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page no. 22 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and demographic conditions;
- Fluctuations in foreign and Indian currency;
- Depreciation, repairs and maintenance of our equipment;
- Significant developments in India ‘s economic and fiscal policies;
- Our ability to attract and retain its consumers;
- Our ability to expand its existing retail network;
- Our ability to attract and retain projects;
- Changes in laws or regulations if any;
- Governmental policies, in particular with regard to Import regulations etc.

### Our Significant Accounting Policies:

For Significant accounting policies please refer Significant Accounting Policies, “Annexure IX” beginning under “Auditors’ Report and Financial Information of our Company” on page no. 162 of this Draft Prospectus.

### Discussion on Results of Operations:

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the period ended September 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021.

### Our Results of Operation

#### For Six months period ending on September 30, 2023

(Rs. In Lakh)

| Particulars                            | As on September 30, 2023 | % of Total Income |
|--|--------------------------|-------------------|
| <b>I. Revenue From Operations</b>      |                          |                   |
| I. Sales                               | 1868.79                  | 97.83%            |
| II. Other Income                       | 41.41                    | 2.17%             |
| <b>III. Total Revenue (I+II)</b>       | 1910.20                  | 100.00%           |
|  |                          |                   |
| <b>IV. Expenses</b>                    |                          |                   |
| Cost of Material Consumed              | 973.44                   | 50.96%            |
| Direct Expenses                        | 158.27                   | 8.29%             |
| Change in inventories                  | (176.42)                 | (9.24)%           |
| Employee Benefits Expenses             | 154.43                   | 8.08%             |
| Finance Cost                           | 125.25                   | 6.56%             |
| Depreciation and Amortization Expenses | 75.97                    | 3.98%             |
| Admin& Selling Expenses                | 12.14                    | 0.64%             |
| <b>Total Expenses</b>                  | <b>1,323.08</b>          | 69.26%            |
|  |                          |                   |
| <b>V. Profit before tax (III-IV)</b>   | <b>587.12</b>            | 30.74%            |

| Particulars   | As on September 30, 2023 | % of Total Income |
|---|--------------------------|-------------------|
| VI. Extraordinary items   | -                        | -                 |
| <b>VII. Profit Before Tax After Extra items(V-VI)</b>                   | <b>587.12</b>            | <b>30.74%</b>     |
| VIII Tax expenses   |                          |                   |
| 1. Current taxes  | 152.56                   | 7.99%             |
| 2. MAT Credit Entitlements  | 0.09                     | 0.00%             |
| 3. Deferred tax ( net)  | 152.65                   | 7.99%             |
| <b>Profit after tax and before extraordinary items</b>                  | <b>434.47</b>            | <b>22.74%</b>     |
| Extraordinary items   | -                        | -                 |
| <b>Net Profit after extraordinary items available for appropriation</b> | <b>434.47</b>            | <b>22.74%</b>     |
| Proposed Dividend   | -                        | -                 |
| Dividend distribution tax   | -                        | -                 |
| <b>Net profit carried to Balance sheet</b>                              | <b>434.47</b>            | <b>22.74%</b>     |

### Main Components of our Profit and Loss Account

**Income** - Our total income comprises of revenue from operations and other income.

**Revenue from Operations**- Our revenue from operation as a percentage of our total income was 99.68%, 99.38%, 99.38% and 96.05% for the period ending 30<sup>th</sup> September, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

**Expenditure**- Our total expenditure primarily consists of Cost of Material Consumed, Changes in inventories of finished goods and Stock in trade, employee benefit expenses, Depreciation, finance costs and Other Expenses.

**Employee Benefit Expenses**- Our employee benefits expense comprises of Salaries and direct wages, Director Remuneration & Staff Welfare Expenses.

**Finance costs**- Our Finance cost expenses comprise of Interest Expenses & other related borrowing costs.

**Other Expenses**- Other expenses primarily include Manufacturing Expenses, Transportation Administrative & Selling Expenses, etc.

**Provision for Tax**- The provision for current taxation is computed in accordance with relevant tax regulations. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### PERIOD ENDED SEPTEMBER 30, 2023

**Revenue from Operations**-The total income of our company for the period ended September 30, 2023, was Rs 1868.79 lakhs.

**Revenue from Other Income**- The total other income of our company for the period ended September 30, 2023, was Rs 41.41 lakhs

### Expenditure

**Cost of Goods Sold**-For the period ended September 30, 2023, our company incurred Rs 973.44 lakhs.

**Employee Benefit Expense**-For the period ended September 30, 2023, our company incurred for employee benefit expenses Rs 154.43 lakhs.

**Finance and Interest Cost**- The finance and interest cost for the period ended September 30, 2023, was Rs 125.25 lakhs.

**Depreciation and Amortization**-For the period ended September 30, 2023, the depreciation cost incurred was Rs 75.97 lakhs.

**Other/ Direct Expenses**-For the period ended September 30, 2023, our company incurred other/ direct expenses of Rs 158.27 lakhs.

**Profit/ (Loss) Before Tax**-Our company had reported a profit before tax of Rs 587.14 lakhs for the period ended September 30, 2023.

**Profit/ (Loss) After Tax**-Our company had reported a profit after tax of Rs 434.49 lakhs for the period ended September 30, 2023.

**COMPARISON OF FINANCIAL YEARS ENDED MARCH 31, 2023, 2022 AND 2021**  
(Rs. In Lakh)

| Particulars                      | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Income</b>                    |                                   |                                   |                                   |
| <b>Revenue from Operations</b>   | 3,995.03                          | 3,340.94                          | 2,158.21                          |
| Increase/Decrease (%)            | 19.58%                            | 54.80%                            |                                   |
|                                  |                                   |                                   |                                   |
| Other Income                     | 65.29                             | 131.05                            | 135.42                            |
| Increase/Decrease (%)            | (50.18) %                         | (3.23) %                          |                                   |
|                                  |                                   |                                   |                                   |
| <b>Total Income</b>              | <b>4,060.32</b>                   | <b>3,471.99</b>                   | <b>2,293.63</b>                   |
| Increase/Decrease (%)            | 16.95%                            | 51.38%                            |                                   |
|                                  |                                   |                                   |                                   |
| <b>Expenditure</b>               |                                   |                                   |                                   |
| <b>Raw material consumed</b>     | 2,647.74                          | 2,209.55                          | 1,619.39                          |
| Increase/Decrease (%)            | 19.83%                            | 36.44%                            |                                   |
| % to Total Income                | 65.21%                            | 63.64%                            |                                   |
|                                  |                                   |                                   |                                   |
| <b>Direct Expenses</b>           | 362.73                            | 359.35                            | 220.62                            |
| Increase/Decrease (%)            | 0.94%                             | 62.88%                            |                                   |
| % to Total Income                | 8.93%                             | 10.35%                            |                                   |
|                                  |                                   |                                   |                                   |
| <b>Changes in Inventory</b>      | 97.17                             | 64.11                             | (124.95)                          |
| Increase/Decrease (%)            | 51.57%                            | (151.31)%                         |                                   |
| % to Total Income                | 2.39%                             | 1.85%                             |                                   |
|                                  |                                   |                                   |                                   |
| <b>Employee Benefit Expenses</b> | 350.08                            | 298.45                            | 233.27                            |
| Increase/Decrease (%)            | 17.30%                            | 27.94%                            |                                   |
| % to Total Income                | 8.62%                             | 8.60%                             |                                   |

| Particulars   | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
|   |                                   |                                   |                                   |
| <b>Other Expenses</b>                               | 62.42                             | 49.62                             | 30.32                             |
| Increase/Decrease (%)                               | 25.80%                            | 63.65%                            |                                   |
| % to Total Income                                   | 1.54%                             | 1.43%                             |                                   |
|   |                                   |                                   |                                   |
| <b>Total Expenditure</b>                            | <b>3,925.99</b>                   | <b>3,405.01</b>                   | <b>2,264.42</b>                   |
| Increase/Decrease (%)                               | 15.30%                            | 50.37%                            |                                   |
| % to Total Income                                   | 96.69%                            | 98.07%                            |                                   |
|   |                                   |                                   |                                   |
| <b>Profit Before Interest, Depreciation and Tax</b> | <b>540.18</b>                     | <b>490.91</b>                     | <b>314.98</b>                     |
| Increase/Decrease (%)                               | 10.04%                            | 55.85%                            |                                   |
| % to Total Income                                   | 13.30%                            | 14.14%                            |                                   |
|   |                                   |                                   |                                   |
| <b>Depreciation and Amortisation Expenses</b>       | 174.02                            | 203.42                            | 92.06                             |
| Increase/Decrease (%)                               | (14.45) %                         | 120.96 %                          |                                   |
| % to Total Income                                   | 4.29 %                            | 5.86 %                            |                                   |
|   |                                   |                                   |                                   |
| <b>Profit Before Interest and Tax</b>               | <b>366.16</b>                     | <b>287.49</b>                     | <b>222.92</b>                     |
| Increase/Decrease (%)                               | 27.36%                            | 28.97%                            |                                   |
| % to Total Income                                   | 9.02%                             | 8.28%                             |                                   |
|   |                                   |                                   |                                   |
| <b>Financial Charges</b>                            | 231.83                            | 220.51                            | 193.71                            |
| Increase/Decrease (%)                               | 5.13%                             | 13.84%                            |                                   |
| % to Total Income                                   | 5.71%                             | 6.35%                             |                                   |
|   |                                   |                                   |                                   |
| <b>Profit before Taxation</b>                       | <b>134.33</b>                     | <b>66.98</b>                      | <b>29.21</b>                      |
| Provision for Current Tax                           | 47.90                             | 29.88                             | 6.26                              |
| Provision for Deferred Tax                          | (12.97)                           | (12.22)                           | 2.21                              |
| <b>Total Taxes</b>                                  |                                   |                                   |                                   |
|   |                                   |                                   |                                   |
| <b>Net Profit Transferred to Balance Sheet</b>      | <b>99.40</b>                      | <b>49.32</b>                      | <b>20.74</b>                      |
| Increase/Decrease (%)                               | 101.54 %                          | 137.80 %                          |                                   |
| % to Total Income                                   | 2.45%                             | 1.42%                             |                                   |

#### **COMPARISON OF FY 2023 WITH FY 2022**

**Revenue from Operations** - During the Financial Year 2022-23, the total revenue accumulated is 3995.03 lakhs. The increase is due to the growth in demand for glass in various building structures and increase in real estate sector.

**Revenue – Other Income** - During Financial Year 2022-23, the other income revenue is 65.29 lakhs. The other income has decreased 50.18% of the previous year's income. Due to different sources of revenue reduced as compared to previous year

**Total Expenses** - The total expenses consist of various sub-headings that include Cost of Goods Sold, Employee Benefits Expense, and Administrative and Selling Expense. The Expenditure is 3925.99 lakhs. It has increased by 15.30% due to an increase in sales and purchases for the year.

**Cost of Goods Sold** - During the Financial Year 2022-23, the Cost of Goods Sold consists majorly of Glass, Silicon, and various glass films etc.

**Employee expenses** - Expenses incurred on staff and executives and their welfare during the financial year 2022-23 were 350.08 lakhs, appreciation from the 298.45 lakhs of the previous year. This has been due to the annual appraisal of wages and salaries along with new machinery implementation for increase in production.

**Finance and Interest cost** - The Finance and Interest Cost incurred during the financial year 2022-23 has stayed the almost same when comparing the same with previous year a small increase of 5.13% compared with previous year

**Depreciation and amortization expense** - During the financial year 2022-23, depreciation and amortization expense of the company has reduced when comparing the same with previous year due to reduced WDV during previous year.

**Administrative & Selling Expenses** – Administrative & Selling Expenses for the financial year 2022-23 have increased from 49.62 lakhs to 62.42 lakhs from the previous year. This has happened due to the aggressive marketing strategy adopted by the company. Also, the various expenditures have gone up due to inflation in the country.

**Profit/ (Loss) After Tax** - The PAT for Financial Year 2022-23 has increased from 49.32 lakhs to 99.40 lakhs from the previous year. This is due to better margins on product sales, and improved business opportunities in real estate projects through which the company has shown overall growth.

#### **COMPARISON OF FY 2022 WITH FY 2021**

**Revenue from Operations** - During the Financial Year 2021-22, the total revenue accumulated is 3340.94 lakhs. The increase of 54.80% was due to growth in demand after a year impacted by covid-19 pandemic and lower base of previous year.

**Revenue – Other Income** - During the Financial Year 2021-22, the other income revenue is 131.05 lakhs. The other income has decreased 3.23% of the previous year's income.

**Total Expenses** - The total expenses consist of various sub-headings that include Cost of Goods Sold, Employee Benefits Expense, and Administrative and Selling Expense. The Expenditure is 3405.01 lakhs. It has increased by 50.37% due to the previous year impacted by covid-19 pandemic and lower base of previous year.

**Cost of Goods Sold** - During Financial Year 2022-23, the Cost of Goods Sold consists majorly of Glass, Silicon and various glass films etc.

**Employee expenses** - Expenses incurred on staff and executives and their welfare during the financial year 2021-22 were 298.45 lakhs, appreciation from the 233.27 lakhs of the previous year. This has been due to the annual appraisal of wages and salaries as compared with the previous year.

**Finance and Interest cost** - The Finance and Interest Cost incurred during the financial year 2021-22 has increased when comparing the same with the previous year. This is due to the small period GECL facility given by banks for existing customers as per govt. relief to counter working capital restraint due to covid-19.

**Depreciation and amortization expense** - During the financial year 2021-22, depreciation and amortization expense of the company has increased when comparing the same with previous year due to reduced new machine implementation later during the previous year.

**Administrative & Selling Expenses** – Administrative & Selling Expenses for the financial year 2021-22 have increased from 30.32 lakhs to 49.62 lakhs from the previous year. This has happened due to the lower base during the previous year of Covid-19 impact.

**Profit/ (Loss) After Tax** - The PAT for Financial Year 2022-23 has increased from 20.74 lakhs to 49.32 lakhs from the previous year. This is due to improved sentiments which led to growth in business as compared with the previous year affected by Covid-19.

## Cash Flow Details

The table below summaries our cash flows from our Restated Audited Financial Information for the period ended September 30, 2023 and for the financial year ended March 31, 2023, 2022 and 2021:

| <b>(Rs. in Lakhs)</b>   |  |                   |                   |                   |
|---|--|-------------------|-------------------|-------------------|
| <b>Particulars</b>  | <b>For the period ended September 30, 2023</b> | <b>FY 2022-23</b> | <b>FY 2021-22</b> | <b>FY 2020-21</b> |
| Net cash generated from / (used in) operating activities      | 423.12   | 348.09            | (82.68)           | 92.00             |
| Net cash generated from / (used in) Investing Activities      | (390.86)                                       | (181.07)          | (66.36)           | (571.97)          |
| Net cash generated from / (used in) from financing activities | (69.56)  | 21.07             | 118.06            | 417.87            |

## Information required as per Item (II) (C) (i) 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, except the outbreak of COVID 19.

### 2. Significant economic changes that materially affected or are likely to affect income from continuing Operations.

Other than as described in the section titled “Risk Factors” beginning on page no. 22 of this Draft Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### 3. Income and Sales on account of major product/main activities.

Income and sales of our Company on account of sale of toughen glass.

### 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 revenue or income from continuing operations.

Other than as described in the section titled “Risk Factors” beginning on page no. 22 of this Draft Prospectus, in our opinion there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### 6. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of raw material.

### 7. 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 our revenues are by and large linked to increases in the volume of business.

**8. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is in the business of Manufacturing & Supplier of sale of toughen glass. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page 86 of this Draft Prospectus.

**9. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and business segment publicly.

**10. Any significant dependence on a single or few suppliers or customers.**

| <b>As on September 30, 2023</b> | <b>Suppliers’ contribution</b> | <b>Customers’ contribution</b> |
|---------------------------------|--------------------------------|--------------------------------|
| Top 5 %                         | 6.41 %                         | 27.67 %                        |
| Top 10 %                        | 76.83 %                        | 21.66 %                        |

| <b>As on March 31, 2023</b> | <b>Suppliers’ contribution</b> | <b>Customers’ contribution</b> |
|-----------------------------|--------------------------------|--------------------------------|
| Top 5 %                     | 2.88 %                         | 40.03 %                        |
| Top 10 %                    | 80.43 %                        | 0.00 %                         |

| <b>As on March 31, 2022</b> | <b>Suppliers’ contribution</b> | <b>Customers’ contribution</b> |
|-----------------------------|--------------------------------|--------------------------------|
| Top 5 %                     | 3.25 %                         | 26.45 %                        |
| Top 10 %                    | 87.09 %                        | 10.55 %                        |

| <b>As on March 31, 2021</b> | <b>Suppliers’ contribution</b> | <b>Customers’ contribution</b> |
|-----------------------------|--------------------------------|--------------------------------|
| Top 5 %                     | 7.16 %                         | 22.14 %                        |
| Top 10 %                    | 54.66 %                        | 13.18 %                        |

**11. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “**Industry Overview**” and “**Business Overview**” beginning on pages 86 and 97, respectively of this Draft Prospectus.



## STATEMENT OF FINANCIAL INDEBTEDNESS

Our Company has availed certain loans in the ordinary course of business for the purposes including, but not limited to meeting its working capital requirements and financing its capital expenditure. Our Company has obtained the NOC from Banks.

Unless otherwise stated, the approvals and/or sanctions are valid as of the date of this Draft Prospectus and in case the said approvals and/or sanctions have expired, we have either made an application for renewal or are in the process of making an application for renewal.

As on the date of filing of this Draft Prospectus, the overall borrowings of our Company do not exceed the overall limit as specified under Section 180(1)(c) of the Companies Act, 2013.

Our Company utilizes various credit facilities from banks for conducting its business. Following is a summary of our Company's outstanding borrowings as on September 30, 2023:

| <b>Sr. No.</b> | <b>Nature of Borrowings</b>  | <b>Outstanding Amount (Rs. In Lakhs)</b> |
|----------------|------------------------------|--|
| 1.             | Secured Borrowings –Bank     | 2,926.10                                 |
| 2.             | Unsecured Borrowings –Others | 11.44                                    |
|                | <b>Total</b>                 | <b>2,937.54</b>                          |

**For details, please refer to Annexure VII.**

## SECTION X- LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities on a consolidated basis; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board in its meeting held on December 01, 2023 has identified, considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) Matters pertaining to Section 138 of Negotiable Instruments Act filed by the Company to be disclosed in summary form;*
- c) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of Rs. 10,00,000 Lakhs/- (Rupees Ten Lakhs only) or 5% of the net profits after tax of the Company for the most recent audited fiscal period whichever is higher; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company;*
- d) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Further, as per the Materiality Policy, our Board has approved, creditor of the Company shall be considered to be material if amounts due to such due to such creditor exceed 10% of the Company's trade payables for the most recent financial year as per the restated financial statements.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

*Unless otherwise stated, all proceedings are pending as of the date of this Draft Prospectus. All information provided below is as of the date of this Draft Prospectus.*

*All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.*

## I. Pending Litigations Relating to Our Company

- (i) Civil Cases filed against the Company : NIL
- (ii) Civil Cases filed by the Company : NIL
- (iii) Criminal cases against the company : NIL
- (iv) Criminal cases filed by the company : 3
- (v) Tax related matters : 9

### Criminal cases filed by the company

**A Complaint letter filed by Mahesh Kumar Agarwal against M/s. Global Construction & Interior Work, and others (the “Accused”) before the Hon’ble Court of Special Metropolitan Magistrate at Sanganer, Jaipur**

- a) A complaint letter was filed by our Company and our Director, Mahesh Kumar Agarwal against M/s. Global Construction & Interior Work, and others (the “Accused”) before the Hon’ble Court of Special Metropolitan Magistrate at Sanganer, Jaipur under Section 138 of the Negotiable Instrument Act, 1881 for dishonour of cheque issued by the Accused to our Company for making payment towards the goods supplied by our Company amounting to ₹ 0.50 lakhs. The matter is presently pending before the Hon’ble Court of Special Metropolitan Magistrate.

**A complaint letter filed by Mahesh Kumar Agarwal against M/s. Sun Control System and others (the “Accused”) before the Hon’ble Court of Additional Metropolitan Magistrate at Sanganer, Jaipur**

- b) A complaint letter was filed by our Company and our Director, Mahesh Kumar Agarwal against M/s. Sun Control System and others (the “Accused”) before the Hon’ble Court of Additional Metropolitan Magistrate at Sanganer, Jaipur under Section 138 of the Negotiable Instrument Act, 1881 for dishonour of cheques issued by the Accused to our Company for making payment towards the goods supplied by our Company amounting to ₹7.09 lakhs. The matter is presently pending before the Hon’ble Court of Additional Metropolitan Magistrate.

**A complaint letter filed by Mahesh Kumar Agarwal against Virendra Shekhawat (the “Accused”) before the Hon’ble Court of Additional Metropolitan Magistrate at Sanganer, Jaipur**

- c) A complaint letter was filed by our Company and our Director, Mahesh Kumar Agarwal against Virendra Shekhawat (the “Accused”) before the Hon’ble Court of Additional Metropolitan Magistrate at Sanganer, Jaipur under Section 138 of the Negotiable Instrument Act, 1881 for dishonour of cheque issued by the Accused to our Company for making payment towards the goods supplied by our Company amounting to ₹1.08 lakhs. The matter is presently pending before the Hon’ble Court of Additional Metropolitan Magistrate.

### Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

| Particulars                     | Number of cases | Amount involved* |
|---------------------------------|-----------------|------------------|
| <b>Indirect Tax</b>             |                 |                  |
| Sales Tax/VAT/GST               | 1               | 18.90            |
| Central Excise                  | Nil             | Nil              |
| Customs                         | Nil             | Nil              |
| Service Tax                     | Nil             | Nil              |
| <b>Total</b>                    | Nil             | Nil              |
| <b>Direct Tax</b>               |                 |                  |
| Cases filed against our Company | 8               | 18.53            |
| Cases filed by our Company      | Nil             | Nil              |
| <b>Total</b>                    | Nil             | Nil              |

\*To the extent quantifiable

## **II. Pending Litigation Relating to the Promoter of Our Company**

- |   |       |
|---|-------|
| a) Criminal Case against our promoter   | : NIL |
| b) Civil Cases Against Our Promoter     | : NIL |
| c) Criminal Cases Filed By Our Promoter | : NIL |
| d) Civil Case Filed By Our Promoter     | : NIL |
| e) Cases Relating to Tax Matters        | : NIL |
| f) Notices served on the Promoter       | : NIL |

## **III. Pending Litigations Relating to the Directors of Our Company**

- |  |       |
|--|-------|
| a) Criminal case against our Directors   | : NIL |
| b) Civil Cases Against Our Directors     | : NIL |
| c) Criminal Cases Filed By Our Directors | : NIL |
| d) Civil Case Filed By Our Directors     | : NIL |
| e) Cases Relating To Tax Matters         | : NIL |
| f) Notices served on the Directors       | : NIL |

## **IV. Litigations Relating to Our Group Companies/ Entities**

- |  |       |
|--|-------|
| a) Criminal case against our Group Companies/ Entities   | : NIL |
| b) Civil Cases Against our Group Companies/ Entities     | : NIL |
| c) Criminal Cases Filed by our Group Companies/ Entities | : NIL |
| d) Civil Case Filed by our Group Companies/ Entities     | : NIL |
| e) Cases Relating to Tax Matters                         | : NIL |
| f) Notices served on the our Group Companies/ Entities   | : NIL |

## **DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

## **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of the Draft Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

## **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

## **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

## **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

## **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus.

## **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

## **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

## **OUTSTANDING DUES TO CREDITORS**

As of September 30, 2023, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors is as follows:

| <b>(Rs. In Lakhs)</b>                        |                         |                           |
|--|-------------------------|---------------------------|
| <b>Particulars</b>                           | <b>No. of Creditors</b> | <b>Amount Outstanding</b> |
| Dues to micro, small and medium enterprises* | 26                      | 22.60                     |
| Material dues to creditors                   | 17                      | 167.55                    |
| Other dues to creditors                      | 24                      | 30.40                     |
| <b>Total</b>                                 | <b>67</b>               | <b>220.58</b>             |

*\*As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

The details pertaining to outstanding overdues to Material Creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at [www.agarwaltuff.com](http://www.agarwaltuff.com).

## **MATERIAL DEVELOPMENTS**

Except as stated in "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page no. 167, there have not arisen, since the date of the last financial statements disclosed in the Draft Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

In accordance with SEBI requirements, our Company and the Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the Emerge Platform of NSE.

## GOVERNMENT AND OTHER APPROVALS

*We 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 Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India 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. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.*

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled 'Key Industry Regulations and Policies' on page no. 122 of this Draft Prospectus.*

### **A) APPROVALS FOR THE ISSUE**

1. Our Board has pursuant to a resolution passed at its meeting dated on October 28, 2023 under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue of Equity Shares, subject to the approval of the shareholders and such other authorities as may be necessary.
2. Our Shareholders have pursuant to a special resolution passed at their meeting dated October 28, 2023 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013, authorized the Fresh Issue of Equity Shares.
3. Our Company has obtained an approval from the NSE EMERGE for listing our Equity Shares through their Letter dated [●] bearing reference number [●]
4. Agreement dated March 17, 2023 between CDSL, the Company and the Registrar to the Issue;
5. Agreement dated March 28, 2023 between NSDL, the Company and the Registrar to the Issue;
6. The Company's International Securities Identification Number ("ISIN") is INE0P8X01016.

### **B) APPROVALS IN RELATION TO THE COMPANY**

7. Certificate of Incorporation dated October 30, 2009 in the name of "Agarwal Toughened Glass India Private Limited" was issued by the Registrar of Companies, Jaipur.
8. Fresh Certificate of Incorporation dated March 06, 2023 under the name of "Agarwal Toughened Glass India Limited" was issued by the Registrar of Companies, Jaipur, Rajasthan upon conversion from "Agarwal Toughened Glass India Private Limited" to "Agarwal Toughened Glass India Limited".
9. The Corporate Identity Number (CIN) of the Company is U26109RJ2009PLC030153.

### **C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:


| Issuing Authority   | Registration License No. / | Nature of Registration / License   | Date of Registration | Valid Up to          |
|---|----------------------------|--|----------------------|----------------------|
| Registration in Income Tax Department   | AAICA1320Q                 | Allotment of Permanent Account Number (PAN) under the name of <b>Agarwal Toughened Glass India Limited</b>   | 06-03-2023           | Valid Till Cancelled |
| Income Tax Department   | 08AAICA1320Q1ZK            | Form GST REG-06-Registration Certificate- <b>Registered Office</b>   | 01-07-2017           | Valid Till Cancelled |
| Commissioner of Income Tax, Rajasthan   | JPRA08116D**               | Allotment of Tax Deduction Account Number (TAN)  | -                    | Valid till cancelled |
| Ministry of Micro, Small and Medium Enterprises, GoI*                           | UDYAM—RJ-17-0015955        | Udyam Registration Certificate   | 25-09-2020           | Valid till cancelled |
| Bureau of Indian Standards, Jaipur, Rajasthan, India                            | CM/L - 8400128207          | BIS Product Certification as per IS 2553(Part 1): 1990   | 04-10-2024           | Valid till cancelled |
| Ministry of Commerce and Industry, Directorate General of Foreign Trade, GoI*   | IEC: 1315012936            | Import – Export Code   | 19-11-2015           | Valid till cancelled |
| Government of Rajasthan, India*   | RJ/33630                   | Registration & License to Work a Factory   | 29-10-2020           | Valid till cancelled |
| Employees of Provident Fund, Rajasthan, India*                                  | RJRAJ1473498000            | Employees Provident Fund Registration  | 30-10-2009           | Valid till cancelled |
| Employees State Insurance Corporation, Rajasthan, India*                        | 15000506500001099          | ESIC Registration  | 24-05-2016           | Valid till cancelled |
| Central Board of Excise And Customs*  | AAICA1320QEM001            | Central Excise Registration Certificate  | 21-12-2015           | Valid till cancelled |
| Department of Planning Directorate of Economics & Statistics Rajasthan, Jaipur* | 0800740000000031           | Business Registration Number for Factory unit 1  | 21-12-2017           | Valid till cancelled |
| Department of Planning Directorate of Economics & Statistics Rajasthan, Jaipur* | 0801540000000068           | Business Registration Number for Factory unit 2  | 27-08-2020           | Valid till cancelled |
| Factories and Boilers Inspection Department, Government of Rajasthan, Jaipur    | RJ-31661                   | Approval of Factory License unit -1  | 31-01-2023           | 31-03-2024           |
| Factories and Boilers Inspection Department, Government of Rajasthan, Jaipur    | RJ-33630                   | Approval for Factory License - unit -2   | 29-10-2020           | 31-03-2025           |
| Rajasthan State Pollution Control Board, Jaipur                                 | Unit ID-56789              | Consent to operate under Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 – Unit - 1 | 31-05-2016           | 30-04-2026           |
| Rajasthan State Pollution Control Board, Jaipur                                 | Unit ID-118442             | Consent to operate under Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 – Unit - 2 | 02-09-2022           | 29-02-2032           |
| International Management Certification  | QMS-ATGL-23-030127         | Quality Management System  | 29-03-2023           | 28-03-2026           |

\*The license in under the private name. Our Company is yet to make application for changing the name from “Agarwal Toughened Glass India Private Limited” to Agarwal Toughened Glass India Limited”.

\*\* We are unable to trace the registration certificate with Income Tax. Accordingly, we have relied on the details as available on the acknowledgment.

#### **D) INTELLECTUAL PROPERTY RIGHTS**

As on the date of this Draft Prospectus, the company does not hold any other kind of Intellectual Property Rights except as mentioned below for which application has been filed:

| <b>Trademark</b>  | <b>Registration No.</b>      | <b>Class and Description of the work</b> | <b>Date of registration</b> | <b>Validity</b> |
|---|------------------------------|--|-----------------------------|-----------------|
|  | 2261436 Under No.<br>3165627 | Class 19                                 | 21-01-2016                  | 21-01-2026      |

Note: the above mentioned trademarks are under the name of Agarwal Toughened Glass India Private Limited. Our Company is yet to make application for changing the name from “Agarwal Toughened Glass India Private Limited” to Agarwal Toughened Glass India Private Limited”.

Our company has confirmed that no other applications have been made by our Company nor has it registered any other type of intellectual property including trademarks/copyrights/patents etc.

#### **E) Approvals applied for but not yet received / Renewals made in the usual course of business: NIL**

Our company confirms that no other applications have been made by them nor has it registered any other type of intellectual property including trademarks/copyrights/patents etc.



## SECTION XI- OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. The Fresh Issue of Equity Shares has been authorized by a resolution by the Board of Directors passed at their meeting held on October 28, 2023 under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the shareholders and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares has been authorized by a resolution by the EGM passed at their meeting held on October 30, 2023, 2023 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled '**Government and Other Approvals**' beginning on page no. 215 of this Draft Prospectus.

Our Company has received approval from NSE *vide* their letter Ref.: [•] dated [•] to use the name of NSE in this Draft Prospectus for listing of the Equity Shares on Emerge Platform of NSE which is the Designated Stock Exchange.

### Prohibition by SEBI, RBI or Governmental Authorities

We confirm that our Company, Directors, Promoters, members of the Promoter Group and Group Companies or the directors and promoters of our Promoter Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

We also confirm that our Promoters, Directors or Group Companies or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, none of our directors are or were associated with any entities which are engaged in securities market related business and are or registered with SEBI for the same.

We, further confirm that none of our Company, its Promoters, relatives of Promoters (as defined under Companies Act, 2013) its Directors and its Group Companies have been identified as willful defaulters or fraudulent borrowers by the RBI or other authorities.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("**SBO Rules**"), to the extent applicable, as on the date of this Draft Prospectus.

### Association with Securities Market

We confirm that none of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors except as stated under the chapters titled "Risk factors", "Our Promoter, Promoter Group", "Group Companies" and "Outstanding Litigations and Material Developments" beginning on page nos. 22, 151, 151 and 211 respectively, of this Draft Prospectus.

### Eligibility for the Issue

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with **Regulation 229(2)** and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is more than Ten Crores Rupees

and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange **SME/ Emerge Exchange**", in this case being the Emerge Platform of NSE known as ("NSE Emerge").

We confirm that we comply with Regulation 229 (3) of the SEBI ICDR Regulations and all the below requirements / conditions so as to be eligible to be listed on the Emerge Platform of NSE:

- 1) Our Company was incorporated on October 30, 2009 under Companies Act, 1956.
- 2) As on the date of this Draft Prospectus, our company has a Paid-up Capital of Rs. 504.00 Lakhs and the post Issue equity share capital will be Rs. 1691.00 Lakhs which is less than Rs. 2,500.00 Lakhs.
- 3) The networth as per the restated financials of our Company as on September 30, 2023 is Rs. 1197.98 Lakhs.
- 4) Our Company has a track record of three years of existence as on the date of filing of this Draft Prospectus.
- 5) Our Company has positive cash accrual on the basis of restated financials (Earnings before interest, depreciation and tax) from operations for at least 2 (two) financial years preceding, below are the details:

**(Rs. in Lakhs)**

| Particulars  | For the period ended<br>September 30, 2023 | As on March 31, |               |               |
|--|--|-----------------|---------------|---------------|
|  |  | 2023            | 2022          | 2021          |
| Profit Before Tax  | 587.12                                     | 134.33          | 66.98         | 29.21         |
| Add: Depreciation  | 75.97                                      | 174.02          | 203.42        | 92.06         |
| Less: Other Income   | 41.41                                      | 65.29           | 131.05        | 135.42        |
| <b>Positive Cash Accruals (Earnings Before Depreciation and Tax)</b> | <b>621.68</b>                              | <b>243.06</b>   | <b>139.35</b> | <b>-14.15</b> |

- 6) There is no change in the promoter/s of the Company in the preceding one year from date of filing application with Emerge Platform of NSE.
- 7) Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.
- 8) Our Company has a live and operational website: [www.agarwaltuff.com](http://www.agarwaltuff.com).
- 9) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 10) There is no winding up petition against our Company, which has been admitted by the court. Also, no liquidator has been appointed.
- 11) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company or Promoters or our Directors or members forming a part of the Promoter Group or Our Companies/ Entities except as mentioned in the chapter titled "Outstanding Litigation and Material Developments" beginning on page 211 of this Draft Prospectus.

We further confirm that:

- a) Our Company is not ineligible to make the Issue in terms of **Regulation 228** of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:
  - 1) Neither our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have been prohibited/debarred from accessing or operating in the capital markets under any order or direction passed by SEBI;
  - 2) None of our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters

or persons in control of any other company have not been declared as ‘**Wilful Defaulter**’ and/ ‘**Fraudulent Borrowers**’ as on the date of filing this Draft Prospectus.

- 3) None of our Company, our Promoters, member belong to the Promoter Group, our Group Companies/ Entities, our Directors and the companies with which our Promoters & Directors are associated as directors or promoters or persons in control of any other company have not been declared as ‘**Fugitive Economic Offender**’ as on the date of filing this Draft Prospectus.
- b) Our Company is in compliance with the following conditions specified in **Regulation 230** of the SEBI Regulations, 2018 to the extent applicable.
  - 1) The Draft Prospectus has been filed with NSE and our Company has made an application to National Stock Exchange of India Limited for listing of its Equity Shares on the Emerge Platform of NSE. National Stock Exchange of India Limited is the Designated Stock Exchange;
  - 2) Our Company has entered into an agreement with NSDL and CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
  - 3) The Equity Shares of our Company are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Prospectus;
  - 4) The entire Equity Shares held by our Promoters will be in dematerialized form before opening of the Issue for subscription.
  - 5) The requirement of firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals is not applicable to our Company. For details, please refer the chapter “Objects of the Issue” on page no.70 of this Draft Prospectus;
  - 6) The amount dedicated for general corporate purposes, as mentioned in “Objects of the Issue” on page no. 70 of this Draft Prospectus, does not exceeding twenty-five per cent (25%) of the amount being raised by the Issuer.

**We confirm that in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

- a) In accordance with **Regulation 246** the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.
- b) In accordance with **Regulation 260(1) and 260(2)** of the SEBI (ICDR) Regulations, the issue has been [•] percent underwritten and that the [•] of the Total Issue Size. For further details pertaining to said underwriting please refer to paragraph titled ‘**Underwriting Agreement**’ under chapter titled ‘**General Information**’ on page no. 52 of this Draft Prospectus.
- c) In accordance with **Regulation 261** of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of (3) three years from the date of listing of equity shares offered in the Issue. For further details of the arrangement of market making please refer to paragraph titled ‘**Details of the Market Making Arrangement for the Issue**’ under chapter titled ‘**General Information**’ on page no. 52 of this Draft Prospectus.
- d) In accordance with **Regulation 268(1)** of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the Issue is not less than fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within three working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of three working days, be liable to repay such application money, with interest as prescribed under the Companies Act, 2013. Further, in

accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

We further confirm that, we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS 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 OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. 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 PROSPECTUS, 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 HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 12, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE DUE DILIGENCE CERTIFICATE FURNISHED WITH SEBI BY THE LEAD MANAGER IS REPRODUCED BELOW:**

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC., AND OTHER MATERIAL WHILE FINALISING THE DRAFT PROSPECTUS OF THE SUBJECT ISSUE;**
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - d) THE DRAFT PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**
  - e) ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE, AS SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - f) THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN**

ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

- 3) BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE ALSO REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE.
- 5) WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
- 6) ALL APPLICABLE PROVISIONS OF THESE REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
- 7) ALL APPLICABLE PROVISIONS OF THESE REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD.

WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE- NOT APPLICABLE AS THE PROMOTERS CONTRIBUTION HAS ALREADY BEEN DEPLOYED.

- 8) NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION- NOTED FOR COMPLIANCE- AS PER TRI-PARTITE AGREEMENT WITH BANKERS TO THE ISSUE.
- 9) THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION.
- 10) IN CASE OF A RIGHTS ISSUE DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT INVESTORS SHALL BE GIVEN AN OPTION TO RECEIVE THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE.

**11) FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT OFFER DOCUMENT/ DRAFT LETTER OF OFFER:**

(A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER – **NOTED**

(B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD - **NOTED**

**12) WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 – **NOTED FOR COMPLIANCE****

**13) IF APPLICABLE, THE ENTITY IS ELIGIBLE TO LIST ON THE INSTITUTIONAL TRADING PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THESE REGULATIONS - **NOT APPLICABLE**.**

**14) WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE OFFER DOCUMENT HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS – **NOTED FOR COMPLIANCE**.**

**15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THESE REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY – **NOTED FOR COMPLIANCE**.**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

**1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

**2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THIS DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THE ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. - **NOTED FOR COMPLIANCE****

**3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. – **NOTED FOR COMPLIANCE****

**4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. – **NOTED FOR COMPLIANCE****

**5) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, HAVE BEEN MADE.**

**6) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PERCENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE OFFER DOCUMENT WITH REGISTRAR OF COMPANIES. – NOTED FOR COMPLIANCE**

**NOTE:**

The Filing Of The Draft Prospectus Does Not, However, Absolve The Issuer From Any Liabilities Under The Companies Act, 2013 Or From The Requirement Of Obtaining Such Statutory 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 Merchant Banker, Any Irregularities Or Lapses In This Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Jaipur, Rajasthan in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [•] dated [•] permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU / Issue Agreement entered into between the Lead Manager and our Company November 20, 2023 and the Underwriting Agreement dated [•] into between the Underwriter and our Company and the Market Making Agreement dated [•] entered into among the Lead Manager, the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the Applicants and public at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for our Company, our Group Entities and our respective affiliates and associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or our Group Entities or their respective affiliates or associates for which they have received, and may in future receive compensation.

**DISCLAIMER IN RESPECT OF JURISDICTION**

The 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 authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks,

regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company, this Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **TRACK RECORDS OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL LIMITED**

For details regarding the track record of the First Overseas Capital Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of First Overseas Capital Limited at [www.focl.in](http://www.focl.in).



**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

**TRACK RECORDS OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL LIMITED**

**Annexure A**

**Disclosure of Price Information of Past Issues Handled By Merchant Banker(s)**

**TABLE 1**

| Sr. No.           | Issue Name                      | Issue Size (Rs. Cr.) | Issue Price (Rs.) | Listing Date | Opening Price on listing date | +/-% change in closing price, [+/-% change in closing benchmark] - 30th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark]- 90th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark]- 180th calendar days from listing |
|-------------------|---------------------------------|----------------------|-------------------|--------------|-------------------------------|--|---|--|
| <b>SME BOARD</b>  |                                 |                      |                   |              |                               |  |   |  |
| 1)                | Kore Digital Limited            | 18.00                | 180.00            | 14-06-2023   | 201.00                        | - 58.10(+4.48)   | +48.26(+6.31)   | +106.05(+10.60)  |
| 2)                | Cell Point (India) Limited      | 50.34                | 100.00            | 28-06-2023   | 100.00                        | - 52.21(+3.51)   | -46.74(+3.18)   | -54.16(+11.61)   |
| 3)                | Synoptics Technologies Limited  | 54.04                | 237.00            | 13-07-2023   | 238.00                        | -45.05(-0.24)  | -45.44(+1.39)   | -35.98(+8.89)  |
| 4)                | Ondoor Concepts Limited         | 31.18                | 208.00            | 01-11-2023   | 214                           | -6.20(6.12)  | N.A.  | N.A.   |
| 5)                | Shanthala FMCG Products Limited | 16.07                | 91.00             | 03-11-2023   | 108                           | 20.44(6.99)  | N.A.  | N.A.   |
| 6)                | Graphisads Limited              | 53.41                | 111               | 14-12-2023   | 111.50                        | N.A.   | N.A.  | N.A.   |
| 7)                | Shree OSFM E Mobility Limited   | 24.60                | 65.00             | 21-12-2023   | 65.00                         | N.A.   | N.A.  | N.A.   |
| 8)                | Electro Force (India) Limited   | 80.68                | 93.00             | 27-12-2023   | 100.00                        | N.A.   | N.A.  | N.A.   |
| 9)                | Sameera Agro and Infra Limited  | 62.64                | 180.00            | 01-01-2024   | 180.00                        | N.A.   | N.A.  | N.A.   |
| <b>MAIN BOARD</b> |                                 |                      |                   |              |                               |  |   |  |
| 10)               | Pyramid Technoplast Limited     | 153.05               | 166               | 29-08-2023   | 187.00                        | +2.98(+0.66)   | 23.92(1.69)   | N.A.   |

**Note:-**

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the nearest trading day has been considered.

4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the nearest trading day has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

| Financial Year | Total no. Of IPOs | Total amount of funds raised (Rs. Cr.) | No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing |                |               |
|----------------|-------------------|--|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
|                |                   |  | 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% |
| SME BOARD      |                   |  |   |                |               |  |                |               |  |                |               |   |                |               |
| 2023-24*       | 9                 | 390.95                                 | 2   | 1              | 1             | -  | -              | 2             | 1  | 1              | -             | 1   | -              | -             |
| 2022-23        | 10                | 193.93                                 | -   | 4              | 3             | 3  | -              | -             | 2  | 1              | -             | 3   | -              | 1             |
| 2021-22        | 4                 | 96.13                                  | 1   | 1              | -             | 2  | -              | -             | 2  | -              | -             | 1   | 1              | -             |
| MAIN BOARD     |                   |  |   |                |               |  |                |               |  |                |               |   |                |               |
| 2023-24*       | 1                 | 1530.52                                | -   | -              | 1             | -  | -              | -             | -  | -              | -             | -   | -              | -             |

\* Upto date of this Draft Prospectus

## FILING

This Draft Prospectus is being filed with National Stock Exchange of India Limited located at Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (East) Mumbai - 400 051.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the Draft Prospectus shall be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Draft Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>

A copy of the Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus, required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, ROC Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur - 302001, Rajasthan, India

## LISTING

The Equity Shares of our Company are proposed to be listed on Emerge Platform of NSE. Our Company has obtained in principle approval from NSE by way of its letter dated [•] for listing of equity shares on Emerge Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the Emerge Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft 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 Emerge Platform of NSE mentioned above are taken within three Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within three 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.”

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **CONSENTS**

We have obtained consents\* in writing of our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Chief Executive Officer, the Lead Manager, Registrar to the Issue, Peer Review Auditor to the Company, the Statutory Auditor, the Legal Advisor to the Issue, Banker(s) to the Company, Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities. These consents will be filed along with a copy of the Prospectus with the RoC as required Section 26 and Section 32 of the Companies Act, 2013. Further, such consents and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\*The consents will be filed with RoC while registering the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s Maheshwari & Gupta, Chartered Accountants, our Peer Review Auditors have agreed to provide their respective written consents for inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consents and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

Our Company has received written consent dated November 02, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and such consent has not been withdrawn as on the date of this Prospectus and has consent to the inclusion of the following reports/certificates in the prospectus relating to:

7. Restated audited financial statements dated December 01, 2023 of the Company audited by us as required by the provisions of Section 26 of the Companies Act, 2013, and the rules and regulations thereunder, each as amended, and presented pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended,
8. Report on the “Statement of Tax Benefits” dated December 01, 2023.
9. Certificate on “delay in payment of statutory dues during last 3 financial years and as on September 30, 2023” dated December 01, 2023.
10. Certificate on “Key Performance Indicators” dated December 01, 2023.
11. Certificate on “Deployment of Funds till November 30, 2023” dated December 01, 2023.
12. Certificate on “Cost of acquisition of shares by Promoters” dated December 01, 2023.

## **EXPERT OPINION TO THE ISSUE**

Except for the reports in the section titled “Financial Statements and “Statement of Tax Benefits” on page no. 162 and 122 respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert

opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

## **ISSUE RELATED EXPENSES**

The expenses of the Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. For details of total expenses of the Issue, see the chapter “**Objects of the Issue**” beginning on page no. 70 of the Draft Prospectus.

## **DETAILS OF FEES PAYABLE**

### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

### **Fees Payable to the Market Maker(s)**

The fees payable to the Market Maker(s) to the Issue will be as per the Agreement Dated [•] between our Company, Lead Manager and Market Maker, a copy of which is available for inspection at our Registered Office.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement dated November 20, 2023 executed between our Company and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp-duty and communication expenses. Adequate funds will be provided by our Company to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor, and Advertiser, *etc.* will be as per the terms of their respective engagement letters, if any.

## **Underwriting Commission, Brokerage and Selling Commission**

The underwriting and selling commission for the Issue is as set out in the Underwriting Agreement dated [•] between our Company, the Lead Manager/Underwriter and Market Maker, a copy of which is available for inspection at our Registered Office. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Draft Prospectus and Allotment of Securities) Rules, 2014 and any other applicable laws.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS**

We have not made any previous rights and/or public issues during the last five years and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled '*Capital Structure*' beginning on page 56 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND/ OR BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since inception.

#### **PREVIOUS CAPITAL ISSUE DURING THE LAST THREE YEARS BY LISTED GROUP COMPANIES AND SUBSIDIARY OF OUR COMPANY**

Except Agarwal Float Glass India Limited and Agarwal Fortune India Limited, none of the Group Companies of our Company are listed. Agarwal Float Glass India Limited had come out with an IPO of 21,90,000 Equity Shares of Rs. 10/- each at an issue price of Rs. 42/- per share for an amount aggregating up to Rs. 919.80 Lakhs and was listed on Emerge Platform of NSE on 23-02-2023. Agarwal Fortune India Limited had taken over a BSE listed entity- Devki Leasing And Finance Limited via Open Offer for 9,12,500 Equity Shares of Rs. 10/- each at an offer price of Rs. 8/- per share for an amount aggregating up to Rs. 73.00 Lakhs.

Further, except as mentioned above, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

Further, except as mentioned in "*Previous Capital Issue During The Last Three Years By Listed Group Companies And Subsidiary Of Our Company*", None of the Group Companies has made public issue of equity shares during the period of ten years immediately preceding the date of filing this Draft Prospectus with the NSE.

#### **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES**

**As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds, or redeemable preference shares.**

#### **PARTLY PAID-UP SHARES**

As on the date of this Draft Prospectus, there are no partly paid-up Equity Shares of our Company.

#### **OUTSTANDING CONVERTIBLE INSTRUMENTS**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

#### **OPTION TO SUBSCRIBE**

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and 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, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in). Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

The Board has constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the “Our Management” on page no. 137 of this Draft Prospectus

As on the date of this Draft Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Prospectus.

Our Company has appointed Ms. Neha Rajendra Singh Jadoun as the Company Secretary and Compliance Officer and he may be contacted at the following address:

**NAME** : Ms. NEHA RAJENDRA JADOUN  
**Address** : F-2264, RIICO Industrial Area, Ramchandrapura, Sitapura (Ext.), Jaipur - 302022, Rajasthan, India  
**Tel No.** : +91 7230043212  
**Email Id** : [cs\\_complianceofficer@agarwaltuff.com](mailto:cs_complianceofficer@agarwaltuff.com)  
**Website** : [www.agarwaltuff.com](http://www.agarwaltuff.com)

Investors can contact the Company Secretary and 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 Equity Shares in the respective beneficiary account or refund orders, *etc.*

As on the date of this Draft Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Prospectus.

Our Company, Lead Manager and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

We do not have any Group Companies or Subsidiaries, hence listing of them on any stock exchange is not applicable.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

## **CAPITALIZATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled ‘*Capital Structure*’ beginning on page no. 56 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

## **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION XII - ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*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 he same is made available.*

#### **Authority for the Issue**

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on October 28, 2023 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held with a shorter notice on October 30, 2023, 2023, in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled '**Main Provisions of the Articles of Association**' beginning on page no. 268 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection to recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to the chapter titled "**Dividend Policy**" on page no. 161 of this Draft Prospectus.

#### **Face Value and Issue Price per Share**

The face value of the Equity Shares is Rs. 10/- each and the Issue Price is Rs. 96.00 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 no. 78 of this Draft Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

### **Compliance with SEBI ICDR Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and 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, the terms of the listing regulations with the Stock Exchange(s) 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 the Articles of Association**' beginning on page no. 268 of this Draft Prospectus.

### **Minimum Application Value, Market Lot and Trading Lot**

As per Section 29 of the Companies Act, 2013, all the shares shall be issued in dematerialized form in compliance with the provisions of the Depositories Act, 1996 and the regulations made there under, thus, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 1200 equity shares and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and Allotment of Equity Shares through the Issue will be done in multiples of 1200 equity share subject to a minimum Allotment of 1200 equity shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and Allotment of Equity Shares through the Issue will be done in multiples of 1200 equity shares subject to a minimum Allotment of 1200 equity shares to the successful applicants.

### **Minimum Number of Allottee's**

The minimum number of Allottee's in the Issue shall be 50 (Fifty) shareholders. In case the minimum number of prospective Allottee's is less than 50 (Fifty), no Allotment will be made pursuant to the Issue and the monies blocked by the SCSBs shall be unblocked within two (2) working days of closure of issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, Maharashtra, India.



**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.**

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

### **Allotment only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated March 28, 2023 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated March 17, 2023 amongst CDSL, our Company and the Registrar to the Offer.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act 2013, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of death of the sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. No provision in the bid-cum-application form to provide this. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of the provisions 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 in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

### **Issue Program:**

|  |     |
|--|-----|
| <b>Issue Opening Date</b>  | [•] |
| <b>Issue Closing Date</b>  | [•] |
| <b>Finalization of Basis of Allotment with the Designated Stock Exchange</b> | [•] |
| <b>Initiation of Allotment / Refunds / Unblocking of Funds</b>               | [•] |
| <b>Credit of Equity Shares to demat accounts of Allottee's</b>               | [•] |
| <b>Commencement of trading of the Equity Shares on the Stock Exchange</b>    | [•] |

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level. This Issue is [•] underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Draft Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of hundred per cent (100%) of the Issue 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 Issued under the Prospectus, the issuer shall forthwith refund the entire subscription amount received failing to which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws. If there is a delay beyond three days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of fifteen per cent per annum.

Further in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information – Underwriting” on page 52.

### **Migration to Main Board**

In accordance with the NSE Circular dated April 20, 2023, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 3 (Three) years from the date of listing and only after that it can migrate to the Main Board of NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of NSE from the SME Platform on a later date subject to the following:

- a) If the Paid up Capital of the company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid-up Capital of the company is more than Rs. 10 Crores but below Rs. 25 Crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE with compulsory market making through the registered Market Maker of the Emerge Platform for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to paragraph titled 'Details of the Market Making Arrangement for the Issue' under chapter titled '**General Information**' beginning on page no. 52 of this Draft Prospectus.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 1200 shares. 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 Emerge Platform of NSE.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

### **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through the Issue.

### **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.

### **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.

### **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 56 of this Draft 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 no. 268**Error! Bookmark not defined.** of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft 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 STRUCTURE

The Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, and amendments thereto, since our post-issue paid up capital which is more than Rs. 10.00 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 Emerge Platform of NSE). For further details regarding the salient features and terms of the Issue please refer chapters titled ‘*Terms of the Issue*’ and ‘*Issue Procedure*’ on page no. 232 and 237 of this Draft Prospectus.

### Following is the Issue Structure:

*Initial Public Issue Of 50,40,000 Equity Shares Of Face Value Of Rs. 10/- Each (“Equity Shares”) Of Agarwal Toughened Glass India Limited (“Our Company” Or “The Issuer Company”) For Cash At A Price Rs. 96/- Per Equity Share (Including A Share Premium Of Rs. 86/- Per Equity Share) (“Issue Price”) Aggregating To Rs. 4838.40 Lakhs (“The Issue”), Out Of Which 2,52,000 Equity Shares Of Face Value Of Rs. 10/- Each For A Cash Price Of Rs. 96/- Per Equity Share, Aggregating To Rs. 241.92 Lakhs Will Be Reserved For Subscription By Market Maker (“Market Maker Reservation Portion”). The Issue Less The Market Maker Reservation Portion I.E. Issue Of 47,88,000 Equity Shares Of Face Value Of Rs. 10/- Each At An Issue Price Of Rs. 96/- Per Equity Share Aggregating To Rs. 4596.48 Lakhs (Is Hereinafter Referred To As The “Net Issue”). The Issue And The Net Issue Will Constitute 29.80 %And 28.31 %, Respectively Of The Post Issue Paid Up Equity Share Capital Of Our Company.*

*The Issue is being made through the Fixed Price Process:*

| Particulars   | Net Issue to Public*  | Market Maker Reservation Portion                             |
|---|---|--|
| <b>Number of Equity Shares*</b>   | 47,88,000 Equity Shares   | 2,52,000 Equity Shares                                       |
| <b>Percentage of Issue Size available for allocation</b>                      | 95 % of the Issue Size<br><br>(50% for the Retail Individual Investors and the balance 50% for Other than Retail Individual Investors)  | 5 % of the Issue Size  |
| <b>Basis of Allotment/Allocation of respective category if oversubscribed</b> | Proportionate subject to minimum Allotment of 1200 equity shares and further Allotment in multiples of 1200 equity shares each.<br><br>For further details please refer to the paragraph titled ‘ <i>Issue Procedure-Basis of Allotment</i> ’ on page no. 246 of this Draft Prospectus. | Firm Allotment   |
| <b>Mode of Application</b>  | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA)  |  |
| <b>Minimum Application Size</b>   | <u>For QIB and NII:</u><br>Such number of Equity Shares in multiples of 1200 equity shares at an Issue Price of Rs. 96 each such that the Application Value exceeds Rs. 2,00,000<br><br><u>For Retail Individuals:</u><br>1200 equity shares at an Issue Price of Rs. 96 each           | 2,52,000 Equity Shares at an Issue Price of Rs. 96.00/- each |
| <b>Maximum Application Size</b>   | <u>For QIB and NII:</u><br>The maximum application size is the Net Issue to public, i.e., 47,88,000 subjects to limits the investor has to adhere under the relevant laws and regulations as applicable.  | 2,52,000 Equity Shares at an Issue Price of Rs. 96.00/- each |

| Particulars              | Net Issue to Public*   | Market Maker Reservation Portion  |
|--------------------------|--|---|
|                          | <i>For Retail Individuals:</i><br>Such number of Equity Shares in multiples of 1200 equity shares at an Issue Price of Rs. 96.00/- |   |
| <b>Mode of Allotment</b> | Compulsorily in dematerialized form  | Compulsorily in dematerialized form   |
| <b>Trading Lot</b>       | 1200 equity shares   | 1200 equity shares; the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| <b>Terms of payment</b>  | The entire Application Amount will be payable at the time of submission of the Application Form.                                   |   |

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the Allocation' is the net issue to the public category shall be made as follows:

- a. Minimum fifty percent (50%) To Retail Individual Investors; and
- b. Remaining to:
  - i) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
- c. The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

**Note:**

In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account or UPI linked account number 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 the joint holders.

Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, 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.

SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Withdrawal of the Issue**

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of NSE for listing of Equity Shares offered through this issue on its Emerge Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of the Draft Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

#### **Issue Program:**

|  |     |
|--|-----|
| <b>Issue Opening Date</b>  | [•] |
| <b>Issue Closing Date</b>  | [•] |
| <b>Finalization of Basis of Allotment with the Designated Stock Exchange</b> | [•] |
| <b>Initiation of Allotment / Refunds / Unblocking of Funds</b>               | [•] |
| <b>Credit of Equity Shares to demat accounts of Allottee's</b>               | [•] |
| <b>Commencement of trading of the Equity Shares on the Stock Exchange</b>    | [•] |

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of applications on the issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to Designated Stock Exchange within half an hour of such closure.

It is clarified that Applications not uploaded on the electronic system would be rejected. 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 the Stock Exchange may be taken as the final data for the purpose of Allotment.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/ the Prospectus before investing in the Issue.*

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

*The lists of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by NSE act as intermediaries for submitting Application Forms are provided on <https://www.nseindia.com>.*

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (—UPI I) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). The applicability of UPI Phase II was extended from time to time. Thereafter, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) was implemented by SEBI, voluntarily for all public issues opening on or after September 1, 2023 and has been made mandatory for all public issues opening on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force

for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism. For details, please refer to “Interest In Case Of Delay In Allotment Or Refund” on page 265 of this Draft Prospectus.

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 the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### ***Phased implementation of Unified Payments Interface***

SEBI has issued a ***UPI Circulars*** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from three 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries 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:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to



₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

## **FIXED PRICE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) 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 investors; and
- b) Remaining to:
  - i. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using the UPI mechanism) and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

## **Application Form**

Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using

UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

The prescribed color of the Application Form for various investors applying in the Issue is as follows:

| Category   | Color * |
|--|---------|
| Resident Indians and Eligible NRI's applying on a non-repatriation basis (ASBA)                            | White   |
| Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA) | Blue    |

\* Excluding electronic Application Form

RIIs using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries")

- (i) an SCSB, with whom the bank account to be blocked, is maintained.
- (ii) a syndicate member (or sub-syndicate member),
- (iii) 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"),
- (iv) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),
- (v) a registrar to an issue and share transfer agent ('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),

Retail's investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

|  |  |
|--|--|
| For applications submitted by investors to SCSBs:  | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking the funds available in the bank account linked bank account details 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 as specified by the stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to the designated branches of the respective SCSBs for blocking of the funds within one day of the closure of Issue. |

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| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment | <p>After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>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.</p> |
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Stock exchange(s) shall validate the electronic details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/24180/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com).

#### **WHO CAN APPLY?**

- 1) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- 2) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- 3) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- 4) Mutual Funds registered with SEBI;

- 5) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- 6) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- 7) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- 8) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 9) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant's category;
- 10) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- 11) Foreign Venture Capital Investors registered with the SEBI;
- 12) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- 13) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- 14) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- 15) Provident Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 16) Pension Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 17) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- 18) Insurance funds set up and managed by army, navy or air force of the Union of India and Department of Posts, India;
- 19) Multilateral and bilateral development financial institution;
- 20) Eligible QFIs;
- 21) Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
- 22) Multilateral and bilateral development financial institutions;
- 23) State Industrial Development Corporations;
- 24) Nominated Investor and Market Maker;
- 25) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees

### 3. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

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.

#### MAXIMUM AND MINIMUM APPLICATION SIZE

##### *a) For Retail Individual Applicants*

The Application must be for a minimum of 1200 Equity Shares and in multiples of 1200 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed Rs. 2,00,000.

##### *b) For Other Applicants (Non-Institutional Applicants and QIBs):*

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 1200 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.** Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft 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 the Prospectus. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

#### BASIS OF ALLOTMENT

Allotment will be made in consultation with the Emerge Platform of National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- 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 1200 equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted 1200 equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- 4) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 1200 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 1200 equity shares subject to a minimum allotment of 1200 equity shares.
- 5) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1200 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 this Draft 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(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) Minimum fifty percent (50%) To Retail Individual Investors; and
  - b) Remaining to:
    - Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*Explanation: If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- . Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

## **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS**

Except for the Underwriting and Market Making Obligations, the Lead Manager, Underwriters and Market Marker, if any shall not be allowed to subscribe to the Issue in any manner. However, associates and affiliates of the Lead Manager and Syndicate Members, if any, may subscribe to or purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## **OPTION TO SUBSCRIBE IN THE ISSUE**

- (a) As per Section 29 (1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form.
- (b) The Equity Shares, on Allotment, shall be traded on stock exchange in demat segment only.
- (c) 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 and applicable laws.

## INFORMATION FOR THE APPLICANTS

- 1) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- 2) Our Company shall, after registering the Prospectus with the RoC, make a pre-issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement shall be in the prescribed format as per ICDR Regulations.
- 3) Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange.
- 4) Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
- 5) Applicants who are interested in subscribing for the Equity Shares should approach the Designated Intermediaries to register their applications.
- 6) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- 7) The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
- 8) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
- 9) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account or UPI linked account number is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- 10) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

## APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications 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 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.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **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), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

### **APPLICATIONS BY ELIGIBLE NRIS/FII'S/RPFI'S ON REPATRIATION BASIS**

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of Issue of shares for Allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

### **APPLICATION BY FPIS (INCLUDING FIIS)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.



In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. 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. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not reregistered as an AIF under the SEBI Regulations shall continue to be regulated by the 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 the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended (“LLP Act”) a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability partnerships can participate in the Issue only through ASBA process.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (a) *equity shares of a company*: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) *the entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, 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 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.

#### **APPLICATIONS BY SCSBS**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs.25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs.25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of the Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number

of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in the Prospectus.

## **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) 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 this Draft 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.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

## **METHOD AND PROCESS OF APPLICATIONS**

- 1) Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
- 2) The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
- 3) During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- 4) The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
- 5) 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 upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

|   |  |
|---|--|
| For the applications submitted by the investors to SCSB with using UPI for payment                        | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.   |
| For applications submitted by 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 the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue. |

- 6) The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
- 7) Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
- 8) If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

- 9) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
- 10) The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **TERMS OF PAYMENT**

The entire Issue price of Rs. 52.00 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 or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank 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 or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank 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 FOR APPLICANTS**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI. Pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

## **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 streamline 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](http://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 offer 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 offer 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 offer 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**

- a. 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.
- b. 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:
- c. Home >> Intermediaries/Market Infrastructure Institutions >>Recognised Intermediaries >>Self Certified Syndicate Banks eligible as Issuer Banks for UPI

- d. 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).
- e. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI.

### **Electronic Registration of Applications**

- 1) The Designated Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Designated Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Offer Closing Date.
- 3) The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Designated Intermediaries or (iii) the applications accepted but not uploaded by the Designated Intermediaries.
- 5) The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

| <b>Sr. No.</b> | <b>Details *</b>  |
|----------------|-------------------|
| 1.             | Symbol            |
| 2.             | Intermediary Code |
| 3.             | Location Code     |
| 4.             | Application No.   |
| 5.             | Category          |
| 6.             | PAN               |
| 7.             | DP ID             |
| 8.             | Client ID         |
| 9.             | Quantity          |
| 10.            | Amount            |

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

- 7) With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:

- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number (of First Applicant, if more than one Applicant);
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Offer or Designated Branch, as applicable and bank code of the SCSB branch where the ASBA Account is maintained;
  - Bank Account Number and
  - Such other information as may be required.
- 8) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 9) 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 or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 10) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 11) The Designated Intermediaries shall have no right to reject the applications, except on technical grounds except as mentioned in the Prospectus.
- 12) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean 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 or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
- 13) The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- 14) The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
- 15) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

### **Allocation of Equity Shares**

- 1) The Offer is being made through the Fixed Price Process wherein 2,52,000 Equity Shares shall be reserved for the Market Maker and 47,88,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Offer Price. The balance of the Net Offer will be available for allocation on a proportionate basis to Non-Retail Applicants.



2) 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.

3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the 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) for the total number of Equity Shares required. 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.
- iv) 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.

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 our absolute discretion, all or any multiple Applications in any or all categories.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

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 and 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 LM reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

#### **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 this information 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.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN subject to the Depository Participants’ verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Issue Procedure.

#### **Option To Receive Equity Shares In Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottee`s 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.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering 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.

#### **Signing Of Underwriting Agreement**

The issue is [•] Underwritten. Our Company has entered into an Underwriting Agreement with the [•] dated [•]

#### **Filing Of the Prospectus with the ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of the Companies Act, 2013.

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within two 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.

### **Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of two working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **GENERAL INSTRUCTIONS**

#### ***Do's:***

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account
- under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and

- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### ***Dont's:***

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

### **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.

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- December not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1200;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- 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;

- 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;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or qualified institutional buyers as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- 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;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

### **Names of entities responsible for finalizing the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Managers 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.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

## **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, UPI ID (if applicable), Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal Of Applications and Application Moneys And Interest In Case Of Delay**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed are taken within three working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment shall be made within three (3) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 3 (Three) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## **Impersonation**

*Attention of the applicants is also 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 the Companies Act, 2013 and shall be treated as Fraud.”*

## **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 three Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within two Working Days of the Issue Closing Date.

## **Mode of Refund**

- a) In case of ASBA Applicants: Within three Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- b) In the case of Applications 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 Other Investors: Within three Working Days of the Issue Closing Date, the Registrar to the Issue 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 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 Issue, 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 Refund for ASBA Applicants***

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### ***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 Bidders' 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 Bidders 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 Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders 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 Lead Manager nor the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid 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. Bidders 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. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the applicant shall be compensated in accordance with applicable law, i.e. the applicant shall be compensated at a uniform rate of Rs. 100.00 per day for the entire duration of delay exceeding Four (4) working days from the 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.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/24180/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

### **UNDERTAKINGS BY OUR COMPANY**

The Company undertakes the following:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closing date;
- 3) That our Promoter ‘s contribution in full has already been brought in;
- 4) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 5) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6) That no further issue of equity shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
- 7) 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;
- 8) 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;



- 9) That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 10) If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer; and
- 11) Those adequate arrangements shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
- 12) That none of the promoters or directors of the company is wilful defaulter or a fraudulent borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

## **UTILIZATION OF ISSUE PROCEEDS**

Our Board of Directors 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 Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the 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 SEBI(LODR) Regulations, 2015 as amended from time to time in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue; and
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

## **EQUITY SHARES IN DEMATERIALISED 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 to the Issue:

1. Agreement dated March 17, 2023 between CDSL, the Company and the Registrar to the Issue;
2. Agreement dated March 28, 2023 between NSDL, the Company and the Registrar to the Issue;
3. The Company's shares bear an ISIN: INE0P8X01016

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the 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 RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non- Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non- Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 – XIII MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

### 1. Table F not to apply

The regulations contained in Table F, in the first Schedule, to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013 be such as are contained in these Articles.

### 2. Interpretation

In the interpretation of these Articles, the following words and expressions shall have the following meanings assigned there under, unless repugnant to the subject matter or content thereof.

#### (a) “The Act” or “the said Act”

“The Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

#### (b) “These Articles”

“These Articles” means Articles of Association for the time being of the Company or the Articles of Association as altered from time to time by special resolution.

#### (c) “Beneficial Owner”

“Beneficial Owner” shall have the meaning assigned thereto in clause(a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

#### (d) “The Company” or “this Company”

“The Company” or “this Company” means **AGARWAL TOUGHENED GLASS INDIA LIMITED**.

**\*New set of Articles of Association adopted, vide resolution passed in Extra Ordinary General Meeting of members of the company held on 30-10-2023.**

#### (e) “The Directors”

“The Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

#### (f) “Depository”

“Depository” shall have the meaning assigned thereto by Section 2 (1)(e) of the Depositories Act, 1996.

#### (g) “Depositories Act 1996”

“Depositories Act 1996” includes any statutory modification or re- enactment thereof.

#### (h) “The Board” or the “Board of Directors”

“The Board,” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act.

(i) “The Chairman”

“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.

(j) “The Managing Director”

“The Managing Director” includes one or more persons appointed as such or any of such persons or

Directors for the time being of the Company who may for the time being be the Managing Director of the Company.

(k) “The Office”

“The Office” means the Registered Office for the time being of the Company.

(l) “Capital”

“Capital” means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

(m) “The Registrar”

“The Registrar” means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

(n) “Dividend”

“Dividend” includes Bonus.

(o) “Month”

“Month” means the calendar month.

(p) “Seal”

“Seal” means the Common Seal for the time being of the Company.

(q) “In Writing and Written”

“In Writing and Written” include printing, lithography and other modes of representing or reproducing words in a visible form.

(r) “Plural Number”

Words importing the singular number also include the plural number and vice versa.

(s) “Persons”

“Persons” include corporations and firms as well as individuals.

(t) “Gender”

Words importing the masculine gender also include the feminine gender.

- (u) “Securities & Exchange Board of India”

“Securities & Exchange Board of India” or SEBI means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

- (v) “Year and Financial Year”

“Year” means the Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

### **Expression in the Act to bear same meaning in the Articles**

Save as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

### **Marginal Notes**

The marginal notes hereto shall not affect the construction of these Articles.

### **COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY**

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:
- (i) The Memorandum;
  - (ii) The Articles, if any;
  - (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

### **CAPITAL AND SHARES**

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.
5. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

### **SHARES AT THE DISPOSAL OF THE DIRECTORS**

7. Subject to the provisions of Section 62 of the Act and these Articles, the shares capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, In proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up share and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

### **FURTHER ISSUE OF SHARES**

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -
- (a) to persons who at the date of the offer are holders of equity shares of the company in proportion, as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:-
    - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - (ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
    - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
  - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by central government; or
  - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be determined by central government.
- (2) The notice referred to in sub-clause (i) of clause (1) (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company.

The terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

#### **POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES**

9. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.
- (ii) In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred

to in Article 9(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9(i) in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9(i) and (ii) above.

### **REDEEMABLE PREFERENCE SHARES**

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

### **PROVISIONS APPLICABLE IN CASE OF REDEEMABLE SHARES**

11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.
- (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;
  - (b) No such shares shall be redeemed unless they are fully paid;
  - (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

### **NEW CAPITAL SAME AS ORIGINAL CAPITAL**

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

### **RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES**

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

- (2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company.

(3) Nothing in sub-clause (2) shall apply to –

- (a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by central government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription or, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;
- (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by central government.

### **REDUCTION OF CAPITAL**

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

### **CONSOLIDATION AND DIVISION OF CAPITAL**

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:
- (a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
  - (b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - (c) Cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause, shall not be deemed to be reduction of share capital within the meaning of the Act.

### **SALE OF FRACTIONAL SHARES**

16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and 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 with reference to the sale.

### **MODIFICATION OF RIGHTS**

17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of



shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of atleast three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

#### **ISSUE OF FURTHER SHARES ON PARI PASSU BASIS**

18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

#### **NO ISSUE WITH DISPROPORTIONATE RIGHTS**

19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

#### **POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE**

- (a) “Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any”

#### **DEMATERIALIZATION OF SECURITIES**

- (b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

#### **INTIMATION TO DEPOSITORY**

- (c) “Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities”

#### **OPTION FOR INVESTORS**

- (d) “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, 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 of securities.”

#### **THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES OTHER THAN THAT OF REGISTERED HOLDER**

- (e) “The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.”

#### **SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS**

- (f) “All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the

beneficial owners.”

### **RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS**

- (g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

### **DEPOSITORY TO FURNISH INFORMATION**

- (h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

### **SHARES AND CERTIFICATES REGISTER AND INDEX OF MEMBERS**

20. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

### **SHARES TO BE NUMBERED PROGRESSIVELY**

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

### **DIRECTORS MAY ALLOT SHARES FULLY PAID-UP**

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

### **APPLICATION OF PREMIUM RECEIVED ON SHARES**

- 23.
- 1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this article, apply as if the securities premium account were the paid-up share capital of the company.

- 2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company –
- (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
  - (b) in writing off the preliminary expenses of the company;
  - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
  - (d) in providing for the premium payable on the redemption of any redeemable preference
  - (e) shares or of any debentures of the company; or
  - (f) for the purchase of its own shares or other securities under section 68.

### **ACCEPTANCE OF SHARES**

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

### **LIABILITY OF MEMBERS**

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

### **LIMITATION OF TIME FOR ISSUE OF CERTIFICATE**

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every members shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to all such holder.

### **ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED**

27. If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

#### **RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED**

28. A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

#### **JOINT ALLOTTEES OF HOLDERS**

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

#### **COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER**

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.
- (ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

#### **WHO MAY HOLD SHARES**

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind or in the name of any firm or partnership.
32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

#### **SWEAT EQUITY**

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other

value addition.

## **DECLARATIONS IN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES**

34.

- (1) In pursuance of section 89 of the act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.
- (2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)
- (3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)
- (4) The Company has be bound to follows the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.
- (5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by central government, within the time specified under section 403.
- (6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.
- (7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

## **FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY**

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

## **ISSUE OF SHARES WITHOUT VOTING RIGHTS**

36. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as through fit and as may be permitted by law.

## **SECTIONS 45 OF ACT NOT TO APPLY**

37. Notwithstanding anything to the contrary contained in the Articles,
- (i) Section 45 of the Act shall not apply to the Shares held with a Depository;

## **TRUST RECOGNIZED**

38. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of

them.

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

## **REGISTRATION OF CHARGES**

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

## **UNDERWRITING AND BROKERAGE**

### **COMMISSION MAY BE PAID**

40. A company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -

- (a) The payment of such commission shall be authorized in the company's articles of association;
- (b) The commission may be paid out of proceeds of the issue or the profit of the company or both;
- (c) The rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less, and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;
- (d) The Prospectus of the company shall disclose—
  - (i) The name of the underwriters;
  - (ii) The rate and amount of the commission payable to the underwriter; and
  - (iii) The number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally.
- (e) There shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;
- (f) A copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the Prospectus for registration.

### **BROKERAGE MAY BE PAID**

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

## **CALLS ON SHARES**

### **DIRECTORS MAY MAKE CALLS**

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (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 a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by instalments.

### **CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS**

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

### **NOTICE OF CALLS**

44. One month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

### **CALLS TO DATE FROM RESOLUTION**

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

### **DIRECTORS MAY EXTEND TIME**

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

### **CALL TO CARRY INTEREST AFTER DUE DATE**

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

### **PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES**

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

## **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

## **FORFEITURE, SURRENDER AND LIEN**

### **IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN**

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

### **FORM OF NOTICE**

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

### **IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED**

52. 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 all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

### **NOTICE OF FORFEITURE**

53. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

### **FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY**

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose of the same in such manner as it thinks fit.

### **POWER TO ANNUL FORFEITURE**

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.



## **ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE**

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

## **EFFECT OF FORFEITURE**

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

## **PROCEEDS HOW TO BE APPLIED**

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

## **DECLARATION OF FORFEITURE**

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director of the Manager of the Secretary of the Company, and that share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
- (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.
- (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
- (d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.
- (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.
60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

## **TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES**

61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any; nor shall his title to the share be affected by any irregularity or

invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or disposal of the share.

#### **PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

#### **THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM**

63. The provisions of these Articles as to forfeiture shall apply to 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 Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **BOARD MAY ACCEPT SURRENDER OF SHARES**

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

#### **COMPANY'S LIEN ON SHARE/DEBENTURES**

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

#### **ENFORCING LIEN BY SALE**

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

#### **APPLICATION OF PROCEEDS OF SALE**

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

#### **VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE**

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register of members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

## **BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES**

69. Where an shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

## **SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL**

70. For the purpose of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **REGISTER OF TRANSFER**

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

### **EXECUTION OF TRANSFER**

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

### **INSTRUMENT OF TRANSFER**

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

### **FORM OF TRANSFER**

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

### **NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC**

75. No transfer shall be made to a minor or a person of unsound mind.

### **TRANSFER OF SHARES**

- 76.
- (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.
  - (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to he transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

- (iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

#### **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

77. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

#### **NO FEE ON TRANSFER OR TRANSMISSION**

78. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

#### **TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN**

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

#### **WHEN TRANSFER TO BE RETAINED**

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

#### **DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES**

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

#### **TITLE TO SHARES OF DECEASED HOLDER**

82. Subject to Article 81 the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

#### **REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER**

83. Subject to the provisions of Article 90 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in

accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

#### **CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE**

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

#### **TRANSMISSION OF SHARE**

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

#### **BOARD MAY REFUSE TO TRANSMIT**

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

#### **BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION**

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

#### **TRANSFER BY LEGAL REPRESENTATION**

88. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of instrument of transfer.

#### **CERTIFICATE OF TRANSFER**

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures

## **THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING**

### **REGISTRATION OF TRANSFER**

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission 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 any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

### **NOMINATION**

- 91.
- (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by central government under the Act.
  - (ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by central government under the act.
  - (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be , all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by central government under the Act.
  - (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

### **“Option of Nominee”**

- 92.
- (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.  
If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.
  - (ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would

be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

### **TRUST NOT RECOGNISED**

93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

### **TRANSFER OF SECURITIES**

94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

### **NOTICE OF APPLICATION WHEN TO BE GIVEN**

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

### **REFUSAL TO REGISTER NOMINEE**

96. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

### **PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER**

97. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

### **BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS**

98. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

### **JOINT HOLDERS**

99. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

## **JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES**

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

## **TITLE OF SURVIVORS**

- (b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

## **EFFECTUAL RECEIPTS**

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

## **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER**

- (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 29 from the Company and document served on or sent to such person shall be deemed service on all the joint holders).

## **VOTES OF JOINT HOLDERS**

- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

## **CONVERSION OF SHARES INTO STOCK**

### **SHARES MAY BE CONVERTED INTO STOCK**

- 100. The Board may, pursuant to section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

## **RIGHTS OF STOCK-HOLDERS**

- 101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares



from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

## **MEETING OF MEMBERS**

102.

- (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Register may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.
- (b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.

103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

## **DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING**

104. The General Meeting referred to in Article 99 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.

## **CALLING OF EXTRA-ORDINARY GENERAL MEETING**

105.

- (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.
- (2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).
- (3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.
- (4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
- (5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

## **LENGTH OF NOTICE FOR CALLING MEETING**

106.

- (1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be determined by central government:

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.

- (2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.
- (3) The notice of every meeting of the company shall be given to –
  - a. every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - b. the auditor or auditors of the company; and
  - c. every director of the company.
- (4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

#### **EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS**

107.

- (1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely: -
  - (a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of—
    - (i) every director and the manager, if any;
    - (ii) every other key managerial personnel; and
    - (iii) relatives of the persons mentioned in sub-clauses (i) and (ii);
  - (b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- (2) For the purposes of clause (1),—
  - (a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—
    - (i) the consideration of financial statements and the reports of the Board of Directors and auditors;
    - (ii) the declaration of any dividend;
    - (iii) the appointment of directors in place of those retiring;
    - (iv) the appointment of, and the fixing of the remuneration of, the auditors; And
  - (b) in the case of any other meeting, all business shall be deemed to be special:

Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent. of the paid-up share capital of that company, also be set out in the statement.

- (3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub- clause (1).

108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

## **QUORUM**

109.

- (1) The quorum for a General Meeting of the Company shall be as under:
  - (i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or
  - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or
  - (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.
- (2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –
  - (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or
  - (b) the meeting, if called by requisitionists under section 100, shall stand cancelled:  
Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.
- (3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

## **RESOLUTION PASSED AT ADJOURNED MEETING**

110. Where a resolution is passed at an adjourned meeting of –

- (a) a company; or
- (b) the holders of any class of shares in a company; or
- (c) the Board of Directors of a company,

the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

## **REGISTRATION OF RESOLUTIONS AND AGREEMENTS**

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

## **POWER OF ADJOURN GENERAL MEETING**

112.

- (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) 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.

- (3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

#### **CHAIRMAN OF GENERAL MEETING**

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extraordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

#### **BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT**

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

#### **RESOLUTION MUST BE PROPOSED AND SECONDED**

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

#### **POSTAL BALLOT**

- 116.
- (1) Notwithstanding anything contained in this Act, the company –
    - (a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and
    - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.
  - (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

#### **DECLARATION OF CHAIRMAN TO BE CONCLUSIVE**

117. A declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

#### **CIRCULATION OF MEMBERS' RESOLUTION**

- 118.
- (1) A company shall, on requisition in writing of such number of members, as required in section 100,—
    - (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
    - (b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
  - (2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless –

- (a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company,—
  - (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;
  - (ii) in the case of any other requisition, not less than two weeks before the meeting; and
- (b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:

Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

- (3) The company shall not be bound to circulate any statement as required by clause(b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.
- (4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

#### **VOTES MAY BE GIVEN BY PROXY OR ATTORNEY**

119. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

#### **VOTES OF MEMBERS**

120.

- (1) Subject to the provisions of section 43 and sub-section (2) of section 50, -
  - (a) every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and
  - (b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.
- (2) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the

resolutions placed before the company.

#### **RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY**

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

#### **REPRESENTATION OF BODY CORPORATE**

122. Pursuant to section 113 a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

#### **REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS**

123. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

#### **RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS**

124. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and/or has exercised its right of lien.

#### **RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID**

125. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 124.

#### **HOW MEMBER NON-COMPOS MENTIS MAY VOTE**

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

#### **INSTRUMENT OF PROXY**

127. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an officer or attorney duly authorized by it.

#### **INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE**

128. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from

the date of its execution.

#### **WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED**

129. 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 share in respect of which the vote is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjournment meeting at which the proxy is used.

#### **FORM OF PROXY**

130. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

#### **TIME FOR OBJECTION TO VOTE**

131. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

#### **CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE**

132. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT THEREOF**

133. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable

#### **DIRECTORS**

- 134.
- 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.
  - 2) As on the date of adoption of this Articles of Association, following are the directors of the company:
    1. Anita Uma Shankar Agarwal
    2. Mahesh Kumar Sanwarmal Agarwal
    3. Uma Shankar Sanwarmal Agarwal
    4. Nitin Ghanshyam Hotchandani
    5. Shalini Ashok Kumar Sharma
    6. Ravi Kumar Manohar Lal Torani

#### **BOARD OF DIRECTORS**

135. The following shall be the First Directors of the Company.

1. Mahesh Kumar Sanwarmal Agarwal
2. Uma Shankar Sanwarmal Agarwal

#### **INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

136. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

#### **POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS**

137. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

#### **ALTERNATE DIRECTORS**

138. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that 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 this Act:

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

#### **NOMINEE DIRECTORS**

139. The Board shall have the power to appoint any person as a director nominated by any institution in Pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

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, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

140. A Director need not hold any qualification shares.

#### **REMUNERATION OF DIRECTORS**

- 141.
- (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
  - (2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment not a Managing Director may be paid remuneration.
    - (i) by way of monthly, quarterly or annual payment with the approval of the Central Government: or
    - (ii) by way of commission if the Company by a special resolution authorises such payments.
  - (3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time,



however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.

- (4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

#### **INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

142. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

#### **TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS**

143. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

#### **DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY**

144. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting of the Company but for no other purpose.

#### **DISCLOSURE OF INTEREST OF DIRECTORS**

- 145.
- (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in an company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.
  - (2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
    - a. with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
    - b. with a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the

contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

- (3) A contract or arrangement entered into by the company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.
- (4) Nothing in this Article-
  - (a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;
  - (b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

#### **INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS**

146. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

#### **BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED**

- 147.
- 1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder—
    - (i) for the sale, purchase or supply of any goods, materials or services; or
    - (ii) selling or otherwise disposing of, or buying, property of any kind;
    - (iii) leasing of property of any kind;
    - (iv) availing or rendering of any services;
    - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
    - (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
    - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company;
  - 2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
  - 3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act.

(S.188 (3))

- 4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
- 5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

### **SPECIAL DIRECTOR**

148. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as “collaborator” to appoint from time to time any person as director of the company (hereinafter referred to as “special director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.

The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.

It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.

### **DIRECTORS’ SITTING FEES**

149. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be determined by central government by the Central Government for each of the meetings of the Board or A committee thereof and adjournments thereto attended by him. The directors, Subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

### **DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY**

150. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered Into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only Of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189and 196 of the Act shall be duly observed and complied with.

### **DISQUALIFICATION OF THE DIRECTOR**

- 151.
- (1) A person shall not be eligible for appointment as a director of a company, if -
    - (a) he is of unsound mind and stands so declared by a competent court;

- (b) he is an undischarged insolvent;
  - (c) he has applied to be adjudicated as an insolvent and his application is pending;
  - (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:  
Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
  - (e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
  - (f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
  - (g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
  - (h) he has not complied with sub-section (3) of section 152.
- (2) No person who is or has been a director of a company which –
- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
  - (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

## **DIRECTORS VACATING OFFICE**

152. The office of a Director shall be vacated if :

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;

- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

## **DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY**

153. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197 or Section 188 of the Act may be applicable.

## **RETIREMENT AND ROTATION OF DIRECTORS**

### **RETIREMENT OF DIRECTORS BY ROTATION**

154.

- (1)
  - (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall -
    - (i) be persons whose period of office is liable to determination by retirement of directors by rotation; and
    - (ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.
  - (b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.
  - (c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.
  - (d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
  - (e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.
- (2)
  - (a) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
  - (b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless—
    - 1. at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
    - 2. the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;

3. he is not qualified or is disqualified for appointment;
4. a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
5. section 162 is applicable to the case.

#### **APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY**

155.

- 1) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.
- 2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.
- 3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.

156.

- (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or, as the case may be, to the member, if the person proposed get selected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.
- (2) The company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

#### **RESIGNATION OF DIRECTOR**

157.

- 1) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company:

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by central government.

- 2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:

Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

- 3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.

#### **REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR**

158. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and

Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

## **APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS**

159.

- a. The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.
- b. Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

## **REMOVAL OF DIRECTORS**

160.

- 1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

- 2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.
- 3) On receipt of notice of a resolution to remove a director under this section, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.
- 4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so,—
  - (a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and
  - (b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:  
Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

- 5) A vacancy created by the removal of a director under this section may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-section (2).
- 6) A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.
- 7) If the vacancy is not filled under sub-section (5), it may be filled as a casual vacancy in accordance with the provisions of this Act:  
Provided that the director who was removed from office shall not be re-appointed as a director by the Board of Directors.
- 8) Nothing in this section shall be taken -
  - (a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
  - (b) as derogating from any power to remove a director under other provisions of this Act.

### **ELIGIBILITY FOR RE-ELECTION**

161. A retiring Director shall be eligible for re-election.

### **PROCEEDINGS OF DIRECTORS**

#### **MEETINGS OF BOARD**

162.

- 1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

- 2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

- 3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

### **QUORUM**



163.

- 1) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.
- 2) The continuing directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company and for no other purpose.
- 3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.
- 4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday till the next succeeding day, which is not a national holiday, at the same time and place.

#### **DECISION OF QUESTIONS**

164. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

#### **BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN**

165. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co-Chairman or the Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

#### **POWER OF BOARD MEETING**

166. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles are for the time being vested in or exercisable by the Board generally.
167. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

#### **MEETING OF THE COMMITTEE HOW TO BE GOVERNED**

168. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

#### **DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN**

169. No act done by a person as a director shall be deemed to be invalid notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

### **PASSING OF RESOLUTION BY CIRCULATION**

170.

- 1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by central government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

- 2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

### **SPECIAL NOTICE**

171. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

### **GENERAL POWERS OF THE BOARD**

172.

- 1) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.

- 2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

### **CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS**

173. The Board of Directors of a company shall exercise the following powers on behalf of the company by means

of resolutions passed at meetings of the Board, namely: -

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
- (q) to invite and accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposit;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be. Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:

Nothing in this section shall be deemed to affect the right of the company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

## **RESTRICTIONS ON POWERS OF BOARD**

174.

- 1) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: -
  - a. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
  - b. to invest otherwise in trust securities the amount of compensation received by it as a result of any

- merger or amalgamation;
  - c. to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:  
Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise and with drawables by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause.
  - d. to remit, or give time for the repayment of, any debt due from a director.
- 2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (c) of sub-section (1) shall specify the total amount up to which monies may be borrowed by the Board of Directors.
  - 3) Nothing contained in clause (a) of sub-section (1) shall affect –
    - (a) the title of a buyer or other person who buys or takes on lease any property investment or undertaking as is referred to in that clause, in good faith; or
    - (b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.
  - 4) Any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:  
  
Provided that this sub-section shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.
  - 5) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section (1) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

## **POWER TO BORROW**

175. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.
176. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

## **THE PAYMENT OR REPAYMENT OF MONEYS BORROWED**

177. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

## **BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS**

178. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner

and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

### **CONDITION ON WHICH MONEY MAY BE BORROWED**

179. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

### **TERMS OF ISSUE OF DEBENTURES**

180. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

### **DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED**

- 181.
- 1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:  
  
Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.
  - 2) No company shall issue any debentures carrying any voting rights.
  - 3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.
  - 4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.
  - 5) No company shall issue a Prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by central government.
  - 6) A debenture trustee shall take steps to protect the interests of the debentureholders and redress their grievances in accordance with such rules as may be determined by central government.
  - 7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than three-fourths in value of the total

debentures at a meeting held for the purpose.

- 8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.
- 9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.
- 10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.
- 11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.
- 12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.
- 13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

#### **EXECUTION OF INDEMNITY**

182. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

#### **CERTAIN POWERS OF THE BOARD**

183. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:
  - 1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.
  - 2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.
  - 3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charges upon all or any part of the property of the Company including its uncalled capital or not so charges.

- 4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage of charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- 5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.
- 6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.
- 7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- 8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.
- 9) To refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.
- 10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- 12) To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be thought fit.
- 14) Subject to the provisions of Sections 179, 180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- 15) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- 16) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of working expenses of the Company.

- 17) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to Section 292 of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.
- 20) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of the Act and of the provision contained in these presents.
- 21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.
- 22) To redeem redeemable preference shares.
- 23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- 24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

#### **APPOINTMENT OF INDEPENDENT DIRECTOR**

184. Pursuant to section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by central government by the Central Government.



Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act –

- (i) an independent director;
- (ii) a non-executive director not being promoter or key managerial personnel,

shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

## **KEY MANAGERIAL PERSONNEL**

### **APPOINTMENT OF KEY MANAGERIAL PERSONNEL**

185.

- 1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.
- 2) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:

Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board:

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel:

Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment

or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

- 3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

#### **REMUNERATION OF KEY MANAGERIAL PERSONNEL**

186. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

#### **DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR**

187. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

#### **CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS**

188. No company shall appoint or continue the employment of any person as managing director, whole-time director or manager who –

- (a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- (c) has at any time suspended payment to his creditors or makes, or has at anytime made, a composition with them; or
- (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

189. Special to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
190. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-
- a) Managing Director and
- b) Manager.

and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

## **THE SECRETARY**

191. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

## **THE SEAL, ITS CUSTODY AND USE**

192. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

## **MINUTES**

- 193.
- 1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.
  - 2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.
    - (a) in the case of minutes of proceedings of a meeting of the Board or of a committee hereof, by the Chairman of the next succeeding meeting.
    - (b) In the case of minutes of proceedings of a General Meeting, by the chairman of the same meeting within the aforesaid period of thirty Days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.
194. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 198 above, shall be evidence of the proceedings recorded therein.
195. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of article 199 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be Valid.
- 196.
- 1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday.
  - 2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.
  - 3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

- 4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.
- 5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- 6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain -
  - (a) the names of the directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- 7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting –
  - (a) is or could reasonably be regarded as defamatory of any person; or
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the company.

The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

#### **PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED**

197. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

#### **DIVIDENDS**

198.

- 1) No dividend shall be declared or paid by a company for any financial year except –
  - a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
  - b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government: Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by central government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

- 2) The depreciation shall be provided in accordance with the provisions of Schedule II of the act.
- 3) The Board of Directors of a company may declare interim dividend during any financial year out of the

surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

- 4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.
- 5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:

Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company:

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

- 6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

#### **DIVIDEND TO JOINT HOLDERS**

199. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
200. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

#### **APPORTIONMENT OF DIVIDENDS**

201. All dividends shall be apportioned and paid proportionate 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.

#### **DECLARATION OF DIVIDENDS**

202. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

#### **RESTRICTION ON AMOUNT OF DIVIDEND**

203. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

#### **DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST**

204.
  - 1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section

123 of the Act.

- 2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

#### **INTERIM DIVIDENDS**

205. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

#### **DEBTS MAY BE DEDUCTED**

206. The Board may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

#### **DIVIDEND AND CALL TOGETHER**

207. Any General Meeting declaring an dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

#### **EFFECT OF TRANSFER**

208. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

#### **RETENTION IN CERTAIN CASES**

209. The Board may retain the dividends payable upon share in respect of which any person is under Articles entitled to become a member of which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

#### **NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT**

210. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

#### **PAYMENT BY POST**

211. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

#### **DIVIDEND TO BE PAID WITHIN THIRTY DAYS**

212. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:

- (a) the dividend could not be paid by reason of the operation of any law or
- (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions can not be complied with or
- (c) there is dispute, regarding the right to receive the dividend or
- (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
- (e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

#### **UNPAID OR UNCLAIMED DIVIDEND**

213.

- 1) Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.
- 2) The company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be determined by central government.
- 3) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- 4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.
- 5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.
- 6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by central government.

#### **CAPITALIZATION OF RESERVES**

214.

- a. Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of

the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:

- (1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or
  - (2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or
  - (3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.
- b.
- (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and
  - (2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.
- c. Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.
- d. For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.
- e. If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he 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 of invalidity in the proceedings with reference to the sale.
- f. Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

## **FRACTIONAL CERTIFICATES**



215.

- (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;
  - (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and
  - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
  - (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also
  - (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.
- (3) Any agreement made under such authority shall be effective and binding on all such Members.
- (4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

#### **DIVIDEND IN CASH**

216. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
217. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

#### **BOOKS OF ACCOUNTS**

##### **BOOKS OF ACCOUNTS TO BE KEPT**

218. The Company shall cause to be kept proper books of account with respect to:
- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
  - (ii) all sales and purchases of goods and services by the company;
  - (iii) the assets and liabilities of the company; and
  - (iii) the items of cost as may be determined by central government under section 148 in the case of a company which belongs to any class of companies specified under that section;

##### **BOOKS WHERE TO BE KEPT AND INSPECTION**

219.

- 1) Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on

accrual basis and according to the double entry system of accounting.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by central government.

- 2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).
- 3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.
- 4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

### **INSPECTION BY MEMBERS**

220. Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts and the books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

### **TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED**

221. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be atleast 30 (thirty) days.

### **STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING**

222. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

### **FINANCIAL STATEMENT**

223. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

### **AUTHENTICATION OF FINANCIAL STATEMENT**

224. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

#### **BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT**

225. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 229. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

#### **RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT**

226. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:
- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
  - (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

#### **A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR**

227. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

#### **RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT**

228. (1) Without prejudice to the provisions of section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to

be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by central government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall –

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
  - (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.
- (2) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

## **ACCOUNTS TO BE AUDITED**

229.

- (1) Once at least in every year the accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.
- (2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

## **APPOINTMENT OF AUDITORS**

230.

- (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.
- (2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in

Section 141:

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

- (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:

- (a) he is not disqualified for re-appointment;
- (b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and
- (c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

- (4) The company shall not appoint or reappoint -

- (a) an individual as auditor for more than one term of five consecutive years; and
- (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

- (i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.
- (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

- (5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.

## **POWER OF BOARD TO MODIFY FINAL ACCOUNTS**

231. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

## **DOCUMENTS AND NOTICE**

### **SERVICES OF DOCUMENTS ON MEMBER BY COMPANY**

232. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by central government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

### **SERVICE OF DOCUMENTS ON COMPANY**

233. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

### **“Service of documents on the Company”**

234. Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or other mode in accordance with the Act and rules made thereunder.

### **AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS**

235. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

### **REGISTERS AND DOCUMENTS**

#### **REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY**

236. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
  - (b) Register of mortgages and charges as required by Section 85 of the Act.
  - (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
  - (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
  - (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
  - (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
  - (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

#### **MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM**

237. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
- (a) required to be kept by a company; or
  - (b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

### **INDEMNITY**

238. 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.

### **WINDING UP**

## **DISTRIBUTION OF ASSETS**

239.

- (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
- (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the Act.
- (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

## **RIGHT OF SHAREHOLDERS IN CASE OF SALE**

240. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.

## **SECRECY CLAUSE**

241. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.
242. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

## SECTION XIV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected on working days between 10.00 a.m. to 5.00 p.m. at the registered Office of our Company from date of filing the Prospectus with RoC till the Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.*

#### Material Contracts

- 1) Memorandum of Understanding dated November 20, 2023 between our Company and the Lead Manager to the Issue.
- 2) Registrar Agreement dated November 20, 2023 between our Company and the Registrar to the Issue.
- 3) Underwriting Agreement dated [•] between our Company and Underwriters- Lead Manager and Market Marker.
- 4) Market Making Agreement dated [•] between our Company, Lead Manager and Market Maker.
- 5) Tripartite agreement among the NSDL, our Company and the Registrar to the Issue dated March 28, 2023, 2023.
- 6) Tripartite agreement among the CDSL, our Company and the Registrar to the Issue dated March 17, 2023.
- 7) Escrow Agreement dated [•] signed between our Company, the Lead Manager, Banker(s) to the Issue/ Escrow Collection Bank(s) and the Registrar to the Issue.

#### Material Documents

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Certified true copy of resolution passed at the meeting of the Board of Directors of our Company dated October 28, 2023 authorizing the Fresh Issue of Equity Shares.
- 3) Certified true copy of special resolution of the shareholders passed at the Extra Ordinary General Meeting dated October 30, 2023, 2023 authorizing the Fresh Issue of Equity Shares.
- 4) Certified copy of Statement of Tax Benefits dated December 01, 2023, issued by M/S Jethani And Associates, Chartered Accountants, and Independent Peer Review Certified Auditor to the Company.
- 5) Certified copy of Peer Review Auditor`s Report dated December 01, 2023 issued by M/S Jethani And Associates, Chartered Accountants, on the Restated Financial Statements included in this Draft Prospectus.
- 6) Copy of Audit Report for Financial Years March 2023, 2022 and 2021 and for the period ended September 30, 2023.
- 7) Certified copy of deployment of fund certificate dated December 01, 2023 issued by our Statutory Auditor, M/S Jethani And Associates, Chartered Accountants.
- 8) Certified copy of Key Performance Indicators (KPIs) Certificate dated December 01, 2023 issued by our Statutory Auditor, M/S Jethani And Associates, Chartered Accountants.
- 9) Certified copy of working capital requirement Certificate dated December 01, 2023 issued by our Statutory Auditor M/S Jethani And Associates, Chartered Accountants.
- 10) Certified copy of repayment of loan certificate dated December 01, 2023 issued by our Statutory Auditor, M/S Jethani And Associates, Chartered Accountants.



- 11) Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Chief Executive Officer, Chief Financial Officer, the Lead Manager, the Registrar to the Issue, the Statutory and Peer Reviewed Auditor, the Legal Advisor to the Issue, Legal Advisor to the Company, Market Maker(s), Underwriter(s), Bankers to the Company and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.
- 12) Copy of approval from NSE vide letter dated [•] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.
- 13) Due Diligence Certificate dated January 12, 2024 from the Lead Manager to NSE.
- 14) Due Diligence Certificate dated [•] from the Lead Manager to be submitted to SEBI.

Any of the contracts or documents mentioned in the Draft 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, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that, all the relevant provisions Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations/ guidelines issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/ guidelines issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

### SIGNATURE BY ALL THE DIRECTORS OF OUR COMPANY

| Name of the Directors   | Signature |
|---|-----------|
| Mr. Anita Uma Shankar Agarwal<br><b>Managing Director &amp; CEO</b><br>DIN No.: 09740258            | Sd/-      |
| Mr. Uma Shankar Sanwarmal Agarwal<br><b>Non-Executive Director</b><br>DIN No.: 02806077             | Sd/-      |
| Mr. Mahesh Kumar Sanwarmal Agarwal<br><b>Non-Executive Director</b><br>DIN No.: 02806108            | Sd/-      |
| Mr. Nitin Ghanshyam Hotchandani<br><b>Independent Non-Executive Director</b><br>DIN No.: 08569325   | Sd/-      |
| Mrs. Shalini Ashok Kumar Sharma<br><b>Independent Non-Executive Director</b><br>DIN No.: 08494127   | Sd/-      |
| Mr. Ravi Kumar Manohar Lal Torani<br><b>Independent Non-Executive Director</b><br>DIN No.: 06976749 | Sd/-      |

### SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

|                                  |      |
|----------------------------------|------|
| Mr. Mangal Ram Gopiram Prajapati | Sd/- |
|----------------------------------|------|

### SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

|                                |      |
|--------------------------------|------|
| Ms. Neha Rajendra Singh Jadoun | Sd/- |
|--------------------------------|------|

Place: Jaipur  
Date: January 12, 2024